

Appendix D: Comments Received on Draft Revision to the Southwest Alaska Transportation Plan and Responses to Comments

Appendix D includes the following documents:

- A table displaying a summary of written comments received and responses to the comments
- Copies of the written comment letters
- Copies of the letters sent in response to the comments
- Meeting notes from public meetings held on June 22, June 23, and June 24, 2004.

Summary of Written Comments and Responses

From	Date Sent	Summary of Comments	Summary of Responses
Geoffrey R. Parker	August 6, 2004	A benefit–cost analysis should be used to evaluate the Iliamna–Nondalton Road project	The same cost effectiveness evaluation methodology used for all other projects in the Southwest Alaska Transportation Plan is used for the Iliamna–Nondalton project. This evaluation methodology considers the costs and benefits of new transportation modes and facilities, as required by AS 44.42.050.
		If a benefit-cost analysis were used to evaluate the Iliamna–Nondalton Road project, the project would be found not economically justified because of a benefit-cost ratio less than 1.0	AS 44.42.050 does not require the use of a purely economic evaluation framework, such as a cost-benefit ratio. Using the Southwest Alaska Transportation Plan’s cost-effectiveness evaluation methodology, the Iliamna–Nondalton Road project was found to be one of the highest priority surface transportation projects compared to other projects proposed for the Plan.

From	Date Sent	Summary of Comments	Summary of Responses
		<p>The measure of effectiveness chosen, person trips per year, is negatively correlated with a subset of the goals the project (i.e. the Iliamna–Nondalton Road) is intended to serve</p>	<p>The comment asserts that increased person travel is negatively correlated with achievement of the Plan's Goal 6: Develop and Protect Economic and Subsistence Resources. In other words the assertion is that increased travel resulting from the Iliamna–Nondalton project and the entire road connection between Cook Inlet and Bristol Bay will have negative economic impacts on the Southwest Alaska economy and on subsistence resources. Concerning the Southwest Alaska economy, the Southwest Alaska Transportation Plan (see pages 7 and 8) acknowledges that the region's remoteness provides some advantages for economic development but also notes that the area's remoteness and lack of a more developed transportation infrastructure pose significant economic disadvantages. The development of the Southwest Alaska Transportation Plan involved an extensive public participation process and this public dialogue established that improved access is desirable for the region's economic future and so use of increased person travel is an appropriate measure of achievement of Goal 6.</p>

From	Date Sent	Summary of Comments	Summary of Responses
		<p>The travel demand forecasts presented in the Southwest Alaska Transportation Plan are not reliable because they are based on a model fit to a very small data set.</p>	<p>The forecasts are based on a model fit to a very small data set for the simple reason that there are very few roadways connecting communities in Southwest Alaska from which to obtain observed data. The forecasts are adequate for their intended use, to provide relative comparisons among transportation improvements proposed for inclusion in the Plan.</p>
Pilot Point Traditional Council	August 6, 2004	<p>Requests inclusion of Ugashik to Wide Bay Road in the Revised Southwest Alaska Transportation Plan</p>	<p>The current revision to the Southwest Alaska Transportation Plan has been undertaken in response to a recent court order that directed the Department to halt all work on the Iliamna-Nondalton road and bridge project until the economic costs and benefits are considered in the next revision of the Southwest Plan. The revision has involved extracting two projects from the previously defined baseline for the Southwest Plan, the Iliamna-Nondalton and the Dillingham-Aleknagik corridor projects, and subjecting them to the evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. The current revision has not considered the inclusion of possible additional projects.</p>

From	Date Sent	Summary of Comments	Summary of Responses
City of Aleknagik	August 6, 2004	Supports inclusion of the Aleknagik Wood River Bridge in the Revised Southwest Alaska Transportation Plan	The current revision to the Southwest Alaska Transportation Plan has extracted the Dillingham–Aleknagik corridor project from the previously defined baseline for the Southwest Plan and has subjected it to the evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. This evaluation process has resulted in identification, within the Plan, of the Dillingham to Aleknagik segment as the highest priority roadway project in the Dillingham/Bristol Bay Area.
		Supports inclusion of the Aleknagik Wood River Bridge in the Statewide Transportation Improvement Program	While the action of revising the Southwest Alaska Transportation Plan does not directly change the Aleknagik Wood River Bridge's placement in the Statewide Transportation Improvement Program, its high prioritization within the Plan will be taken into consideration in development of the next STIP.

From	Date Sent	Summary of Comments	Summary of Responses
Lake and Peninsula Borough	August 2, 2004	Supports inclusion of the Iliamna–Nondalton Road in the revised Southwest Alaska Transportation Plan	The current revision to the Southwest Alaska Transportation Plan has extracted the Iliamna–Nondalton corridor project from the previously defined baseline for the Southwest Plan and has subjected it to the evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. This evaluation process has resulted in identification, within the Plan, of the Iliamna to Nondalton segment as the second highest priority roadway project in the Cook Inlet to Bristol Bay Corridor.
		Recommends that the Iliamna–Nondalton Road be given a higher priority rating in the Southwest Alaska Transportation Plan than the Williamsport–Pile Bay Road	The evaluation process used for the Plan does not support the change in priority but this does not preclude a different order of implementation in the STIP.
		Recommends that more elaboration on the need for the Iliamna–Nondalton Road project be included in the revised Southwest Alaska Transportation Plan	See discussion on page S-8 of this document.
		Recommends that the Southwest Alaska Transportation Plan should mention the need for barge landing facilities at the Iliamna Lake communities	Such facilities are already mentioned in the Plan, see page 41.

From	Date Sent	Summary of Comments	Summary of Responses
Dillingham Bike Path Coalition	August 6, 2004	Supports inclusion of the extension of the Dillingham Coastal Trail the Wood River Road Reconstruction project in the Statewide Transportation Improvement Program	Support noted and will be forwarded for consideration in the next update to the STIP
Southwest Alaska Municipal Conference	July 30, 2004	Supports inclusion of the Iliamna–Nondalton Road and the Aleknagik Wood River Bridge in the revised Southwest Alaska Transportation Plan	The current revision to the Southwest Alaska Transportation Plan has extracted the Iliamna–Nondalton and Dillingham–Aleknagik corridor projects from the previously defined baseline for the Southwest Plan and has subjected them to the evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. This evaluation process has resulted in identification, within the Plan, of these projects as high priority surface transportation projects within Southwest Alaska.
		Recommends that more elaboration on the need for the Iliamna–Nondalton Road and the Aleknagik Wood River Bridge be included in the revised Southwest Alaska Transportation Plan	See discussion on pages S-8 and S-9 of this document.
		Recommends that freight costs shown in the revised Southwest Alaska Transportation Plan be modified to reflect current costs	See discussion on pages B-2, C-4 and C-13 and footnotes on Tables 12, 16, 20, C-2 and C-4 of this document.
		Requests that public comments be included in the revised Southwest Alaska Transportation Plan	See Appendix D of this document.

Public Meeting
June 21, 2004
Draft Revision of the Southwest Alaska Transportation Plan
Nondalton Community Center 11 am – 1 pm

Meeting Notes

The meeting began at 11:15 am with an introduction by Allen Kemplen and a presentation by Mark Scheibe. Jack Dobson, President of the Nondalton Tribal Council stated that local residents felt that they were not being adequately involved in producing a resolution to the issues stopping construction of the bridge.

Gary Marttila stated that there was no gas in the village. They have to boat an ATV across the river to pick up fuel. They drive the ATV to the fueling station in near the airport, pick up fuel, drive back and then boat the fuel and ATV back across the river.

There was a general discussion regarding lack of participation by the Tribal Council. Nondalton was considering joining the litigation to expedite the project.

A comment was made that the current situation is very dangerous with the movement of fuel and freight. Suicide Hill is a real obstacle.

A comment was made that fishing is not what it used to be. Since they started going up the river with jetboats, the fish have declined. They used to get 30" rainbows but now they just get panfry.

A participant made the comment that they just spent \$85 for 20 gallons of fuel. The community needs a tank farm so they can stockpile fuel. The problem is that the Denali Commission is no longer doing tank farms.

Medical evacuation of injured residents was identified as an issue.

A comment was made that maps showing land ownership status around the community should be developed and provided to the community.

There was some concern expressed about potential consolidation of uses as a result of the bridge construction. Plan does not appear to examine this item as a cost savings.

A comment was made that the freight costs are as much as the cost of materials. An example was given that a recent home addition cost \$17,000 in materials and they had to pay \$20,000 in freight to get the materials on site.

There was a question about whether the Pebble Gold Copper Mine project was examined as part of the revision. It was mentioned that they will need their own haul road and there was

some uncertainty about the number of haul trucks. Caribou bulls tend to congregate where the future mine site is located. The area is the caribou calving ground for the Mulchatna herd.

There was discussion about a joint resolution in support of the revision – City of Nondalton, Tribal Council, SWAMC, Lake and Peninsula Borough.

There was discussion of the amount of future traffic, protection of subsistence sites and limiting parking waysides. There was mention of a boat launch either at the Village or at the bridge. DOT was willing to design but not construct village boat launch.

There was concern about the road alignment from the bridge into the City. Who will do the maintenance?

Public Meeting
June 21, 2004
Draft Revision of the Southwest Alaska Transportation Plan
Iliamna Village Council Building 4 pm – 6 pm

Meeting Notes

The meeting was started at 4:10 pm. After a presentation by the Consultant, Mark Scheibe, a general discussion was held. The participants expressed support for the project.

A question was asked whether Iliamna Air Taxi could sue the State. The bridge would decrease their mail services not Nondalton. It can cost \$150 to charter to Nondalton.

It was mentioned that the new sub-regional clinic was open. It was felt that the new facility was important to Nondalton because it could save lives.

There was a comment made the idea of a regional landfill rather than three individual landfills and how that could save money. There was some concern expressed about jobs and that some folks think that the bridge would mean that Iliamna would get them all.

It was mentioned that the bridge in on Iliamna's CIP list. A comment was made about that Iliamna granted right-of-way to build road 10 years ago. Clause says it's okay if State does some improvement to the road. It was requested that Iliamna be involved with development of the road to Pedro Bay.

It was suggested that if additional documentation was needed that the State could get newspaper clippings of the deaths or near/deaths that have occurred over the years at the river crossing.

A comment was made about the new dock at Pile Bay and that the dock @ Iliamna was in need of repair.

Planes were still landing at the Roadhouse Strip and folks would like it stopped. Three planes landed on the road recently. They are deliberately landing close to the store. They can taxi up and get gas. It was mentioned that this issue was being looked at in the Iliamna Airport Master Plan and that it would be good to have a resolution supporting the cessation of this practice.

A question was asked if the road project was going to replace the decking at Alexi Creek bridge. A comment was made about Bear Creek and whether the new road could restore the ability of local residents to use it as a picnic area.

Public Meeting
June 23, 2004
Draft Revision of the Southwest Alaska Transportation Plan
State of Alaska, DOT&PF
Aviation Building Conference Room
5:00 pm – 7:00 pm

Meeting Notes

The meeting began at 5:07. Mark Scheibe, the Contractor doing the revision of the Southwest Alaska Transportation Plan, made a presentation on the draft document.

A question was raised about why were the Nondalton and Aleknagik Bridge projects the only ones being considered in the revision. It was explained that the Nondalton Road and Bridge project was included because of Court order. The Aleknagik Bridge project shares similar characteristics and was pulled out in order to avoid any possible future issues.

A question was raised about the freight rates used in the Tech Memo. It was felt that the Tech Memo did not adequately address the current prices. It was responded that the figures came from work done for the original Plan including interview with regional air carriers in 2000 and the figures were not updated to account for inflationary pressures. It was stated that these numbers may be low. It was suggested that a different methodology be used, either identify as X year numbers or update to current year with some factor.

A question was asked about the costs for freight and how were they developed. Were they using barge or airplane? The model should be clearer in explaining how the costs were developed. There was a statement made that the \$11.24 Net Annualized Cost per Person Trip for the road segment Iliamna to Nondalton was hard to understand how it was derived.

A concern was expressed that the Tech Memo gave inadequate attention to documenting the non-quantifiable benefits of the bridge.

Comments were made by an individual born and raised in Nondalton. The road has always been there. This revision is wasted money. How many lives must be lost before the bridge is built? Nondalton residents pay double for goods. They have lost elders, community members. The community can control unauthorized access to subsistence areas. Same concern on Keyes Point – they stick to beaten path. Can't see how the project can be delayed so many times. There are benefits that can't be seen. Anyone

can stand there on the road next to the river and see that a bridge needs to be built. One person with money walks in and takes precedence over the needs of life-long residents. Angry that bridge is being held up by one individual because they have money and connections.

An individual stated that the person opposing the bridge has offered to fund a barge, stop litigation if don't build the bridge for 15 years, etc. He can talk to her about alternative solutions. He is prepared to make a third offer. His client would like to resolve this matter without further litigation. The problem is that DOT&PF has continued to push a bridge without considering the impact of the bridge on adjacent property owners. The main issue is that DOT&PF moves forward without meeting with client. This is not a way to produce a resolution but rather just sets up the next court case. His client opposes any project that will turn this area into the Kenai Peninsula. The document justifies decisions already made – this needs to change.

The conclusion in the Plan that transportation is intrinsic to the economic vitality of the area needs to be justified. His client thinks that roads will result in decline in economy.

The same individual stated that regarding the Plan itself there are still unresolved questions. These are included in the 1997 complaint and the documents given to DOT&PF. The focus on commercial fishing is not appropriate for the upper waters of the Bristol Bay. Revenue from Rainbow Trout fishing exceeds revenue from Salmon fishing.

A question was asked about how public comments will be incorporated. Response was that they will be included as an Appendix in the revised Plan. There was additional comment about the draft Tech Memo not adequately addressing the non-quantifiable benefits associated with construction of the bridge.

Public Meeting
June 24, 2004
Draft Revision of the Southwest Alaska Transportation Plan
Aleknagik Community Center 12:00 pm – 2:00 pm

Meeting Notes

The meeting started at 12:15. Mark Scheibe, the DOT&PF Contractor for the revision of the Southwest Alaska Transportation Plan, made a presentation. It was mentioned by the public that a resolution in support of the Aleknagik/Wood River Bridge was passed and is part of the public record.

A comment was made that more infrastructure is needed in rural Alaska and how is it possible to make rural projects more open to funding.

A question was raised about the cost factors and cost figures in the Technical Memorandum and their relationship to current prices.

A statement was made that aviation improvements are also needed in the area.

The Technical Memorandum did not appear as powerful as it should be in terms of qualitative discussion. There were more benefits to the bridge than could be quantified. Additional discussion is needed of qualitative benefits such as opening up convenient access to the area north of town for economic development.

A statement was made that the project should be moved from Earmark Status to a STIP programmed project. Funding for the Bridge should come out the State's annual federal allocation and not be dependent on a special appropriation.

A comment was made about the proposed alignment of the bridge connections. All community entities chose Option A and not Option C. It was noted that Option C was a much longer and difficult route to travel.

An individual who visited Juneau in February made a comment. She met with the Deputy Commissioner and was made to wait a long time. She stated that the Deputy Commissioner told her that the Bridge funding went to pay for the Dillingham Pathway Project.

A statement was made that the City of Dillingham is on record as supporting the Aleknagik Bridge project. It was not good form for DOT&PF to say that one community gained at the expense of another.

A comment was made that the Technical document does not show the bridge project in the best light. It was suggested that a better methodology should be considered, one that highlighted the qualitative benefits of bridge construction.

A statement was made that SWAMC was trying to get DOT&PF to re-open the Plan completely and do a full update.

Public Meeting
June 24, 2004
Draft Revision of the Southwest Alaska Transportation Plan
Dillingham City Hall Building 6:00 pm – 8:00 pm

Meeting Notes

The meeting began at 6:10 pm. Mark Scheibe made a presentation on the draft Technical Memorandum and Southwest Alaska Transportation Plan.

An individual from the Dillingham Chamber of Commerce made a statement in support of the bridge. He stated that the bridge is needed for economic development. Paving of the road to Aleknagik has raised the property values along the corridor. The main reasons for the bridge are economic development and safety.

A comment was made that they had heard that a person in Aleknagik was heard on radio saying that there was a trade-off between the bridge and the Dillingham bike path that was being paved this summer.

A question was asked about why wasn't the Wood River Road in the near-term STIP? The statement was made that the Wood River Road alignment should be moved further south to avoid complicating land status issues.

A statement was made about trails. The individual was concerned about the crossing of the Lake Road and Kakanak Road. A controlled three-way stop was needed there. The State should include trails with all their projects for health reasons. If the trails are there then people will more likely ride, walk or run and stay in shape.

A question was asked about the size of the culverts being placed with the trail paving project. They should be using 18" rather than 12" culverts.

An individual invited DOT&PF personnel to the annual SWAMC workshop in December at the Anchorage Westward Hilton. 150-200 people usually attend and side workshops are held with transportation being a popular topic.

It was mentioned that the bike trail from Shannons Pond to Wasky Road should be paved.

Public Comments

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730 I Street, Suite 226
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August 6, 2004

Allen Kemplen, Area Planner
Central Region Planning
P.O. Box 196900
Anchorage, Alaska 99519-6900

HAND DELIVERED


Re: Comments on Draft Revision to Southwest Alaska Transportation Plan and Draft
Technical Memorandum

Dear Mr. Kemplen:

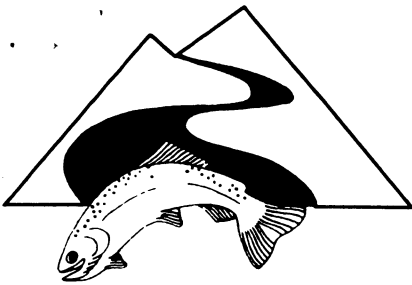
My clients have again hired Dr. John Duffield, one of the nation's most respected natural resource economists, to review the above documents. He is a co-author of a legal treatise on natural resource damages and economics. He has substantial experience in Alaska on recreational and subsistence economics, knows southwest Alaska well, and has been involved in natural resource related litigation in Alaska and elsewhere.

His comments on behalf of my clients are attached.

Also, on one detail that arose in the public meeting on these documents -- i.e., the allegation of a recent drowning -- since that meeting, I discussed with the president of Kijik Corporation the drowning that was claimed at the meeting to have occurred in the past few years. She told me that it occurred to a man who was fishing in the lake rather than trying to cross to Iliamna.

Sincerely,

Geoffrey Y. Parker

Attachment



BIOECONOMICS INC.

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August 5, 2004

Mr. Geoffrey Y. Parker
730 I Street, Suite 226
Anchorage, Alaska 99501

Dear Mr. Parker,

You asked me to comment on two documents recently released for public comment by the Alaska Department of Transportation and Public Facilities: Southwest Alaska Transportation Plan, Draft Revision (June 2004) and Technical Memorandum on Revised Cost and Effectiveness Measures (June 2004).

My comments are attached in the document entitled: "Comments of Dr. John W. Duffield on the Southwest Alaska Transportation Plan", dated August 5, 2004.

Thanks for involving me in this issue.

Sincerely,

John W. Duffield

RECEIVED
DOT & P/F PLANNING
AUG 25 2004
ANCHORAGE, ALASKA

Comments of Dr. John W. Duffield on the Southwest Alaska Transportation Plan

August 5, 2004

Introduction

1. These comments are being provided to Alaska Department of Transportation and Public Facilities (ADOT&PF) on behalf of Alaska State Council of Trout Unlimited and Robert B. Gillam. The latter are plaintiffs in a suit filed against ADOT&PF concerning a proposed road and bridge project between the communities of Iliamna/Newhalen and Nondalton in Southwest Alaska.
2. The focus of the comments is on the economic evaluation of the proposed project in two documents recently released by ADOT&PF for public review: Southwest Alaska Transportation Plan, Draft Revision (June 2004) and Technical Memorandum on Revised Cost and Effectiveness Measures (June 2004).
3. As part of this evaluation, an earlier ADOT&PF document, Nondalton-Newhalen/Iliamna Pioneer Road Economic Feasibility Study (March 1986), was also reviewed. This 1986 document has been identified by a recent court order (Superior Court for the State of Alaska, Third Judicial District at Anchorage, Case No. 3AN-02-09363 Cl, January 5, 2004) as “..the State’s last cost and effectiveness analysis undertaken for this particular project” (Id at 12). The order further states: “..in this court’s view, AS 44.42.050 does require a project’s economic cost must be considered as a factor in the determination of whether a particular project should proceed, together with consideration of ‘the costs and benefits of new transportation modes and facilities’”. The court ordered ADOT&PF to cease action to construct the Iliamna-Nondalton road and bridge project until the economic costs of the project are considered in the next revision of the Southwest Regional Transportation Plan as required by AS 44.42.050. The court also stated that “ADOT&PF must also consider the benefits of this component of the project”. (Id at 14).
4. The purpose of these notes is to provide comment on whether the June 2004 documents identified at point 2 could be said, from a professional economic viewpoint, to adequately consider the costs and benefits of the proposed project.
5. The commentator is a PhD. economist (Yale, 1974) specializing in natural resource economics, and has over 30 years experience as a Professor and Research Professor at the University of Montana. He is a coauthor, along with Kevin Ward, of Natural Resource Damages: Law and Economics (New York: John Wiley, 1992). He has worked in Alaska on a number of projects including: expert testimony in the Exxon Valdez oil spill case on subsistence and recreation impacts, National Academy of Sciences panelist and co-author (Wolves, Bears and Their Prey in

Alaska: Biological and Social Challenges in Wildlife Management (Washington, D.C.: National Academy Press, 1997), as well as conducting original data collection, analysis and peer-reviewed publications for Alaska Department of Fish and Game on Alaska sport fisheries.

Summary Comments

6. The 1986 ADOT&PF study provides a benefit-cost analysis of the proposed project, with a basic finding that the costs far exceeded the benefits at that time (benefit-cost ratio of 0.26). The Deputy Commissioner for the Central Region summarized the findings as: “The benefit/cost analysis contained in this study concludes that the construction of the road is not economically justified at this time as the cost far exceeds the benefits. The benefit cost ratio (\$3,363,822/\$12,828,312) for the project equals .26.” (cover letter) The ADOT&PF Commissioner, R.J. Knapp, signed the cover letter to indicate concurrence (April 29, 1986).

7. The current study does not specifically provide a benefit/cost ratio estimate, but is instead presented as a “cost-effectiveness” analysis. The two studies (1986 and 2004) are contrasted here, in these comments, with regard to methods and assumptions in Table 1. Nonetheless, the 2004 study in attempting to consider costs and benefits, does provide data indicating a benefit-cost estimate quite similar to that for 1986: a ratio of 0.31. This is shown in Table 2 and takes the ADOT&PF estimates at face value. The implication of this finding is that should the same standards be applied as were applied in 1986 as the basis for what is “economically justified”, the 2004 version of the proposed Iliamna-Nondalton project is not economically justified.

8. This conclusion is further supported by additions to the 2004 analysis to more closely match the methods and assumptions used in the 1986 study (which apparently, based on the January 2004 court order, can be judged to satisfy AS 44.42.050). These findings are summarized in Table 3, and reveal again (for a stand-alone project) a very low benefit-cost ratio of 0.37.

9. The project is also considered in other contexts, including as part of the larger proposed Cook Inlet to Bristol Bay Corridor (also discussed in the 2004 DOT&PF document). In this context the 2004 findings on their face indicate an even lower benefit-cost of 0.08, or, if revised to approximate the 1986 study methods, a benefit-cost of 0.31.

10. Some mathematical, economic, and statistical errors in both the 1986 and 2004 studies are also noted below, and corrections to several of these are provided. Just incorporating corrections to the mathematical errors in the 1986 ADOT&PF study leads to a somewhat lower estimated benefit-cost ratio (0.22, shown in Table 2 of these comments). The major methodological error in the 2004 ADOK&PF draft documents is in the choice and estimation of the variable to estimate “effectiveness” which is simply trips per year. Under evaluation in the 2004 Technical Memorandum on Revised Cost and Effectiveness Measures (at p.4-6) “evaluation methodology” is discussed. After listing five goals ranging from health and safety, to need, to efficiency, to improved service, to adaptability and flexibility, to protecting economic and subsistence resources, the document states that: “...a measure was chosen that reflects the success of the proposed

project by its use - estimated 2000 person trips on the facility”. There are two major problems with this choice. First the measure is negatively correlated with some of the goals, as discussed below, in particular protection of economic and subsistence resources and safety. (Parenthetically, the project as proposed is also at odds with transportation efficiency, both on the grounds of benefit-cost findings considerably below one.) Accordingly, simply demonstrating that trips might increase due to the project is not equivalent to showing that the project contributes to goals. As discussed below, the project actually likely reduces attainment of the regions goals regarding protection of economic and subsistence resources and public safety. The second major problem is that the study does not provide a reliable estimate of the number of trips the Iliamna-Nondalton project specifically will provide. A model is presented in the ADOT&PF Travel Demand Forecasts Technical Memorandum (1998) at pp 16-17. Use of this model with the high forecast for population at Iliamna and Nondalton generates an estimate of travel demand for the project of 98,536 - and is apparently the basis for the 99,000 trips per year used in the 2004 ADOT&PF projection for the Iliamna-Nondalton segment. The problem is that the model is estimated on only three data points (actual travel at Dillingham-Alegnagik, King Salmon-Naknek, and Kodiak-Womens Bay). For this small a data set and two parameter points, the statistical significance of the estimated parameters is very low. When the model was estimated by this commenter and his colleagues, it was found that the 95 percent prediction interval for the model for the Iliamna-Nondalton application actually includes zero. (The actual estimated 95% confidence interval for the mean is about minus 165,000 to plus 368,000.) In other words, one can not be confident from this model that there will be any additional trips created by the project. This considerable uncertainty in the ADOT&PF travel demand forecasts is further illustrated by the fact that an entirely different model is provided in “Appendix H. Demand Estimate Methodologies”. This model is a variant on the earlier model, but now includes distance (as the model is overspecified and guaranteed to fit the data exactly, it can not be evaluated statistically). This model appears to be the basis of some of the travel demand estimates in the 2004 draft documents, but provides a very different estimate for the Iliamna-Nondalton segment than the 2004 documents report (47,635, or about half of the 99,000 trips estimate). One can also note that the 1986 ADOT&PF study cited above uses a different methodology, which is based on actual travel in the Iliamna-Nondalton area, and estimates about 14,000 trips per year. This uncertainty on actual travel demand for this project makes the reported estimates of “cost-effectiveness” meaningless. In other words, dividing a cost estimate by a number that may well actually be zero, does not provide a reliable estimate of anything.

11. A limitation of both the 1986 and 2004 studies is that several major categories of impacts are not considered. Some of these potential categories are listed in the 1986 study as part of an outline of what a more complete benefit-cost analysis might entail. A review of this outline, and another DOT&PF document (Iliamna-Nondalton Road Improvements, Revised Environmental Assessment and Finding of No Significant Impact (December 2001)) suggest several categories of impacts that may in fact be quite significant for the Iliamna-Nondalton project (as well as the larger Cook Inlet to Bristol Bay Corridor).

12. The primary economic base for the Iliamna, Nondalton, and Newhalen areas is commercial

fishing (in Bristol Bay), subsistence activities, and tourism (particularly lodge-based sport fishing). There are potentially significant impacts to both of these latter activities (subsistence and recreation) from the proposed project. A preliminary estimate of the potential impact of the proposed projects on recreational fishing and subsistence harvests indicate negative impacts on the order of \$1 million to \$10 million in annual foregone benefits, respectively, as discussed below. These findings further depress the benefit/cost ratio and support the conclusion that the project is not economically justified. The losses would be much larger for the full Cook Inlet to Bristol Bay project.

13. An additional quantifiable and potentially significant cost item is morbidity, mortality and property losses due to accidents that will occur with the development of this road. The second significant point made in the Environmental Assessment (2001) cited above is with regard to comparison of safety across transportation modes: "Alaska occupational fatality rate for commercial pilots (271 per 100,000) is approximately twice as high as for professional motorized drivers (130 per 100,000) ...the likelihood of potentially serious injuries and accidental deaths resulting from air travel between Iliamna and Nondalton needs to be reduced" (at p.1). However, the appropriate comparison here is not commercial pilots and professional drivers, but between commercial pilots using this air corridor (not all are commercial air routes) and nonprofessional drivers, including ATV's and a mix including younger drivers. The ADOT&PF study lacks a careful quantitative analysis of the likely impacts of the project on the costs of accidents (property damage, morbidity and mortality).

14. A Consumer Product Safety Commission document (#540, "CPSC Urges Caution for Three- and Four-Wheeled All-Terrain Vehicles) states that: "The average risk of injury from ATV riding is high. Over its estimated seven-year life, the average ATV has a one-in-three chance of being involved in an accident resulting in injury." A related issue is the association of alcohol use with increased access and its interaction with injury death. For example, a Journal of the American Medical Association article ("Alcohol-Related Injury Death and Alcohol Availability in Remote Alaska", JAMA, December 3, 1997 (278(21))) states that injury is a major public health problem in Alaska, and alcohol consumption and injury death are associated. This a significant issue that can not be dismissed with simple comparisons of commercial pilot and professional vehicle driver accident rates. There is a substantial literature that provides economic parameters such as the value of a statistical life for this type of benefit-cost analysis (for example, see Chapter 10, "Valuing Longevity and Health" in A. Myrick Freeman III, *The Measurement of Environmental and Resource Values*, Washington, D.C.: Resources for the Future (1993)).

15. In addition to costs within the benefit-cost accounting framework, there are potentially significant impacts on the regional economy. From the standpoint of income (and real, in-kind equivalents) and expenditures, both subsistence users and lodge and guiding owners, based on the existing record, would suffer significant losses due to the road projects proposed in the Southwest Alaska Transportation Plan.

16. The impact of road access on subsistence harvests in Alaska is well documented (e.g. Robert

J. Wolfe and Robert J. Walker, "Subsistence Economies in Alaska: Productivity, Geography, and Development Impacts", Arctic Anthropology 24(2):56-81 (1987)). Wolfe and Walker estimate, based on a sample of 98 Alaska communities (including Iliamna, Newhalen and Nondalton), that a major factor explaining differences in subsistence across communities is roads. They conclude: "The presence of roads is significantly associated with reduced subsistence productivity. Harvests of communities along roads or marine highway systems are 69% less than harvests by communities off the road network (171 lbs compared to 559 lbs per capita.." (at p. 66 and their Table 5).

17. The annual estimates of pounds per person of subsistence harvest from the Wolfe and Walker data base show the following levels for the immediate project-area communities: Iliamna - 416 lbs, Newhalen - 767 lbs, and Nondalton 976 lbs. It is noteworthy that levels of harvest in the more-accessible community of Iliamna are less than half of those for Nondalton. Wolfe and Walker explain some of the factors associated with roads that lead to major negative impacts on subsistence users: settlement entry by non-Natives along roads and increased competition between rural and urban users.(Id at p.69).

18. An awareness of the negative impacts of road development on subsistence communities and fisheries is also indicated by the Bristol Bay Coastal Resource Service Area's "Bristol Bay CRSA Coastal Management Plan 2/17/87". Under the topic of "Transportation", the plan (at 4-4), states "Whatever future transportation requirements are required, residents strongly oppose a road connection to other regions of the state."This statement clearly implies opposition to the Cook Inlet-Bristol Bay corridor project. The cited document is available on line at the following address: www.alaskacoast.state.ak.us/Explore/nwbbbersa.htm under "Titles of Coastal District Plans, Effective Dates, and links to Enforceable Policy".

19. Relative values for foregone Alaska subsistence harvest benefits have been estimated in the peer-reviewed literature and in the context of litigation (John W. Duffield, "Nonmarket valuation and the courts: the case of the Exxon Valdez", 25 Contemporary Economic Policy (October, 1997): 98-110). For example, the Alaska Native class settlement in the Exxon Valdez litigation was based on a replacement cost value per pound of subsistence harvest (1994 dollars) of about \$13 per pound. A fully compensatory value based on the Wolfe and Walker data base, and Alaska Native choices between income earning opportunities and subsistence harvest, reveals a value of about \$38/pound of harvest (Id at p.109 and Table 4).

19. As an example of the significant impacts of the Iliamna-Nondalton project and the larger Cook Inlet-Bristol Bay project, suppose that with increased access the subsistence harvest in Nondalton and Newhalen fell to the same level as in Iliamna (and using DOT&PF (2004) population projections for 2020). This would imply a subsistence harvest loss of about 560 pounds and 351 pounds per capita, respectively or a total of 265,530 pounds per year. (These specific losses are similar to the average loss of 388 pounds due to road access in the Wolfe and Walker (op. cit.) data. Using a range of economic values (point 19 above), this would imply an annual loss of \$3.5 million dollars to \$10 million dollars a year in in-kind values. This cost is significant relative to the

estimated benefits associated with the Iliamna-Nondalton project and have not been quantified in ADOT&PF's current draft documents.

20. A sports fishery likely to be impacted by the proposed project is the Newhalen River, which would be spanned by the proposed bridge. The bridge and road will provide increased access for this high quality fishery. Alaska Fish and Game ("Participation, Catch and Harvest in Alaska Sport Fisheries During 2000", Fishery Data Series No. 03-05, Alaska Department of Fish and Game, Division of Sport Fish (April 2003) estimates that 1,278 anglers took 1980 sportfishing trips to the Newhalen in the year 2000.

21. Nonmarket economic valuation studies of Alaskan anglers show that road-access fisheries may be valued somewhat less on average than travel to more remote fisheries. For example, fishing trips to road-accessible fisheries in the Fairbanks area were valued at between \$34 and \$69 per trip in 1995 compared to \$591 for all nonresident trips in Region III and \$192 for trips to this area by anglers from Southcentral and Southeast Alaska. (J.W. Duffield, M.F. Merritt, and C.J. Neher, "Valuation and Policy in Alaskan Sport Fisheries", in Tony J. Pitcher and Charles Hollingworth, eds., Recreational Fisheries: Ecological, Economic and Social Evaluation, Oxford: Blackwell Science (2002)). The weighted average differential between all ADF&G Region III trips and the Fairbanks road-accessible trips (\$380 per trip) can be used to crudely illustrate a possible bound to road-access impacts on the Newhalen sports fishery. Assuming one-half of all trips might be impacted to this extent, the loss in angler benefits would be on the order of \$350,000 per year.

22. In the context of the larger Cook Inlet-Bristol Bay road project, all of the major Bristol Bay sports fishing drainages would be impacted: the Lake Iliamna-Kvichak drainage, the Naknek drainage, and the Nushagak-Mulchatna drainage, which supported a total of 58,890 angler trips per year in 2000 (Participation, Catch and Harvest in Alaska Sport Fisheries During 2000, AF&G (2003)). In terms of economic production and economic value, these trips are more highly valued than trips to competing areas, such as the Kenai and Russian River, and the West Susitna/West Cook Inlet Fisheries, based on the significant price differential at full-service lodges across these areas (Attachment 1).

23. Attachment 1 provides a listing of a data set from a sample of Alaska sport fishing lodges for three areas: Bristol Bay, the Kenai River and Russian River area on the Kenai Peninsula, and the West Susitna-Cook Inlet drainages. ADF&G in its Sport Fish Division maintains a list of full-service lodges by region; all lodges listed under the Bristol Bay communities of Iliamna, Nondalton, Newhalen, Pedro Bay, Iguigik, King Salmon, and Dillingham were search on the web to identify prices and services. All lodges listed under the towns of Kenai, Soldotna, Sterling, and Coopers Landing were the initial list for the Kenai area, and West Susitna-Cook Inlet lodges were identified by physical location for the following fisheries: Alexander Creek, Deshka, Fish Creek, Yentna R., Lake Creek, and the Talachulitna R. The Kenai fisheries are all road accessible, while the Bristol Bay and West Sustina-Cook Inlet fisheries are accessible only by air and boat. The data were investigated to identify price differences between the regions. Mean prices per week for

lodges advertising week-long packages for Bristol Bay, W. Susitna/W. Cook Inlet, and Kenai, respectively are: \$5,074 (n=18), \$3,732 (n=8) and \$1,901 (n=14) in the total sample of 40 lodges offering seven day trips, listed in these areas, and advertising on the web. Bristol Bay prices are about \$1300 on average higher than W. Susitna and about \$3100 higher on average than the road-accessible Kenai R. fisheries. Regression analysis in Attachment 1 indicates that the price difference between Bristol Bay and W. Susitna fisheries (neither are road accessible) appears to be largely due to the number of days in the week package when daily flyout services are provided (included in the week-long package prices). None of the Kenai lodges offer daily flyout for the entire week, only one lodge does in the W. Susitna sample, and 10 or 18 (or 56%) of Bristol Bay lodges do.

24. Mean per day values for a sample of 51 lodges reported in Attachment 1, are: Bristol Bay \$673, W. Susitna/W. Cook Inlet \$488, and Kenai \$272. These per day estimates also indicate a much higher level of average prices in Bristol Bay. The 2004 estimate of \$673 per day at sportfishing lodges in Bristol Bay can be compared to an estimate for 1986, based on a study by David Ackley. "An Economic Evaluation of Recreational Fishing in Bristol Bay, Alaska", MA Thesis, University of Alaska, May 1988). Ackley surveyed lodges in the Kvichak-Lake Iliamna area and in the Naknek drainage. Based on complete survey information for 23 lodges, he estimated per day client average cost at \$342 (Id. at p.106). Using the Consumer Price Index to update this to current dollars (CPI-U 1986 is 109.6, June 2004 is 189.7) results in a 1986 lodge per day cost estimate (in 2004 dollars) of \$592 per day. The actual 2004 estimate of \$673 is somewhat higher, but much of the difference in the two estimates is likely due to general price inflation.

25. The fisheries in the Bristol Bay drainages are unique for being wilderness rivers that offer uncrowded fishing for very large wild indigenous rainbow trout. Additionally, the area is sufficiently large that the ultimate in daily angler access and choice (daily flyout to specific fisheries depending on what fisheries offer the best success for the target species on that day) is the level of service offered at many lodges in the area. All five species of salmon are also present in abundance at different times and locations in Southwest Alaska. The significance of the rainbow trout fishery is that it is highly sensitive to fishing pressure, in part because of the length of time for rainbows to reach trophy size in this environment, and in part because their numbers are relatively limited, even in the very best fisheries. This theme is echoed in the advertisement of the Bristol Bay fly-out wilderness lodges, which focus more heavily on lack of crowding, wilderness, and trophy rainbow fisheries, than other fisheries across the state (based on web sites for the lodges listed in Attachment 1).

26. Ackley's (1988) study also surveyed lodges as to the preferred target species for Bristol Bay anglers. He found that "The rainbow trout was by far the most targeted species by anglers as perceived by lodge owners." (Id. at p. 95).

27. Because the average trip to a Bristol Bay fly-in fishing lodge is relatively expensive (on the order of \$6000 per week per individual for full daily fly-out/guided service compared to W.

Susitna/W. Cook Inlet and the Kenai (Attachment 1), these remote wilderness fisheries are highly productive in the sense of economic activity generated per angler. For example, tourism (primarily angler) expenditures for guide, lodge, and air taxi industries in the non-road accessible Nushagak-Mulchatna drainage were estimated at \$25 million in 1986 for a client population estimated at between 9,900 and 18,200 clients (90 percent confidence interval)(Jon Isaacs & Associates, 1986, Commercial Recreation Services Providers Study, Bristol Bay Coastal Resource Service Area (at p. 55).

28. Ackley (1988) developed an estimate of total sport fishing-related expenditure for the Kvichak and Naknek drainages in 1986 of \$45 million including nonresident expenditure of \$40.9 million including: \$9.6 million on air travel, \$28 million on lodges, and \$6.9 million on other (including equipment, food, etc.). Resident expenditure on all items totaled \$4.0 million. Ackley estimated that 6890 nonresidents and 2266 resident anglers fished in his study area in 1986 (75% nonresident). This is a total of 9156 anglers.

29. Totaling the estimates for the Nushagak drainage (\$25 million) and the Kvichak-Naknek (\$45 million) for 1986 indicates a total of \$70 million in primarily sport fishing recreational expenditure in these Bristol Bay drainages. By contrast, 330,000 angler trips to the relatively crowded Kenai and Russian Rivers in 1987 were estimated to generate a much lower amount, \$43 million in expenditures (Jones & Stokes, 1987, Southcentral Alaska Sport Fishing Economic Study). (Parenthetically the Kenai study used a broader definition of expenditures, including retail spending, grocery stores, gas, etc.)

30. The wilderness fly-out fishing industry in Bristol Bay in some ways parallels and is far more compatible with the other major economic activities in that region(subsistence and commercial fisheries) than the much more crowded road-accessible fisheries.

31. The empirical economic comparison of the Nushagak-Mulchatna and Kvichak fisheries versus the Kenai River fisheries suggest that road access, particularly for the larger Cook Inlet-Bristol Bay project, could significantly impact these currently remote, uncrowded wilderness fisheries.

32. There is also an important theoretical economics literature that long ago identified open access (public) fisheries as a classic common property (e.g. "tragedy of the commons") problem . In a recent paper (S. Cox and C. Walters, "Maintaining Quality in Recreational Fisheries: How Success Breeds Failure in Management of Open-Access Sport Fisheries", pp 107-119, in Pilcher and Hollingworth, op cit.), the authors unequivocally state that: "Where recreational fisheries are open to public access, there is a basic pathology in which success breeds failure: development of a quality fishing situation leads to increased fishing effort until quality is reduced to be no better than other situations with comparable costs and difficulties of access....high quality fishing is found only where fishing effort is severely restricted. There are three situations where high quality/low fishing effort occurs: 1) high cost/time required to access the fishery such as very remote lakes and ocean coastal areas far from major tourist routes, 2) control of access by private or local interests, such as guiding camps, fishing clubs, and lakeshore owners, and 3) an equitable

strategy of limited access via a lottery system, as has been used routinely in big game management for decades.” (at 107). The Bristol Bay fly-out wilderness fisheries are protected primarily by access limitations of the first type; road access would change this, possibly to the significant detriment of commerce.

33. The Alaska Department of Fish and Game has for many years had in place a sport fish trophy management program for selected areas within the Kvichak and Nushagak drainages. The restrictions on bag limit developed in these regulations were adopted by the Alaska Board of Fish and Game and only apply to rainbow trout, and include use of single hook terminal tackle. A memorandum dated January 16, 1969 from the Regional Research Supervisor at the Division of Sport Fish stated: “The Board, in its actions to set aside areas for trophy sport fishing, was motivated by the desire to maintain the present high levels of large rainbow trout. Trophy sized rainbows from 10 to 15 pounds require 8 to 12 years or more to attain their large size. The Board noted that angler interest and angler harvest rates had substantially increased in the Bristol Bay drainages in recent years. Many sport fishermen rate the streams in the Kvichak and Nushagak watersheds as the last outposts of relative unexploited freshwater sport fisheries remaining in North America.” (Memorandum, from Rupe E. Andrews to Amos Berg, dated January 16, 1969, Alaska Department of Fish and Game, subject: “Alaska Board of Fish and Game Designates First Sport Fish Trophy-Management Areas in State”)

34. Management actions related to trophy rainbow management actions, angler preferences for lack of crowding and high catch per unit effort, and relatively high prices compared to other areas all point to a unique fishery in the Iliamna-Nondalton road and bridge and Cook Inlet-Bristol Bay corridor. This sport fishery is a major part of the regional economy, and is in fact substantially larger in terms of economic impact than the Bristol Bay commercial salmon fisheries. Because of the nature of open access fisheries, and the particular vulnerability of this sport fishery to crowding and damage to the limited biological resource (trophy rainbows), the proposed road projects will have a significant impact on this resource.

35. Existing economic methods and data, as cited in the sport fishing studies listed above, are available for ADOT&PF to evaluate the actual economic impact of the proposed projects on Bristol Bay fisheries.

Table 1. Comparison Alaska DOT and PF
Economic Evaluation (1986, 2004) of
Iliamna-Nondalton Road/Bridge Project: Methods and Assumptions

Item	1986 ¹	2004 ²
Method	Benefit-Cost	Cost Effectiveness
Criteria	B/C ratio	"net annual costs"
		"net annual costs per person trip"
Design-life	20 year	20 year
Discount rate	10%	7%
Projected trips/year	14,235	75,300
<u>Costs Included:</u>		—
Construction	9,000,000	12,520,000
Annual O&M	192,000	225,450
User Costs	at \$0.95/mile	—
<u>Benefit Included:</u>		
Cost of consumer goods	\$50 times tri-city population	—
Freight savings	—	freight rate differentials
User savings	user costs compared to unit cost (\$50)	—
Employment benefits	3 maintenance workers @ \$56,000/year	—

¹ Source: Nondalton-Newhalen/Iliamna Pioneer Road Economic Feasibility Study (March, 1986), Alaska Department of Transportation and Public Facilities.

² Source: SW Alaska Transportation Plan, Draft Revision, ADOT & PF (June, 2004) at footnote 16 and Table 12. Technical Memorandum on Revised Cost Effectiveness Measure, ADOT&PF (June 2004) at Table 10.

Table 2. Comparison AK DOT and PF
Economic Evaluation (1986, 2004) of
Iliamna-Nondalton Road/Bridge Project: Findings

Item	1986 ¹	2004 ²
(Annual study-year dollars)		
<u>Costs</u>		
Construction	1,057,082	1,181,810
O&M	192,000	225,450
User costs	515,298 ³	—
Subtotal	1,764,380	1,407,260
<u>Benefits</u>		
Freight/goods	30,650	435,400
User savings	196,443	—
Employment benefit	168,000	—
Subtotal	395,093	435,400
<u>Criteria</u>		
Benefits-cost ratio	0.22	0.31
Net annual cost	1,369,287	971,860
Cost-effectiveness	80.02	12.91

¹ Source: Nondalton-Newhalen/Iliamna Pioneer Road Economic Feasibility Study (March, 1986), Alaska Department of Transportation and Public Facilities.

² Source: SW Alaska Transportation Plan, Draft Revision, ADOT & PF (June, 2004) at footnote 16 and Table 12. Technical Memorandum on Revised Cost Effectiveness Measure, ADOT&PF (June 2004) at Table 10.

³ Corrected error in original of using one-way mileage per trip.

Table 3. 2004 Study
Revised to Include Cost and Benefit Categories
of 1986 Study

Item	2004 (annual study year dollars)
<u>Costs</u>	
Construction	1,181,810
O&M	225,450
User costs ¹	2,746,944
Subtotal	4,154,204
<u>Benefits</u>	
Freight	435,400
User savings ²	1,039,140
Employment benefits	56,000
Subtotal	1,530,540
<u>Criteria</u>	
Benefit-cost	0.37
Net annual cost	2,623,664
Cost-effectiveness	\$34.84

¹ At 1986 rate of \$0.95/mile times 75,300 trips/year times 38.4 miles/trip

² At (\$50-36.20) times 75,300.

Table 4. 2004 Estimates
for Iliamna-Nondalton in
Context of Cook Inlet to Bristol Bay Corridor

Item	2004 ¹	2004/1986 Methods
<u>Costs</u>		
Construction	1,181,810	1,181,810
O&M	225,450	225,450
User costs ²	—	3,622,464
Subtotal	1,407,260	5,029,724
<u>Benefits</u>		
Freight	115,800	115,800
User savings ³	—	1,370,340
Employment benefits	—	56,000
Subtotal	115,800	1,542,140
<u>Criteria</u>		
Benefits-cost	0.08	0.31
Net annual cost	1,291,460	3,487,584
Cost-effectiveness	13.01	\$35.12

¹ Source: SW Alaska Transportation Plan, Draft Revision, ADOT & PF (June, 2004) at footnote 16 and Table 12. Technical Memorandum on Revised Cost Effectiveness Measure, ADOT&PF (June 2004) at Table 10.

² Assume 99,300 trips times \$0.95/mile and 38.4 miles

³ At (\$50-36.20) times 99,300

Attachment 1. Alaska 2004 Sportfishing Lodge Data Sets and Price Regression Analysis

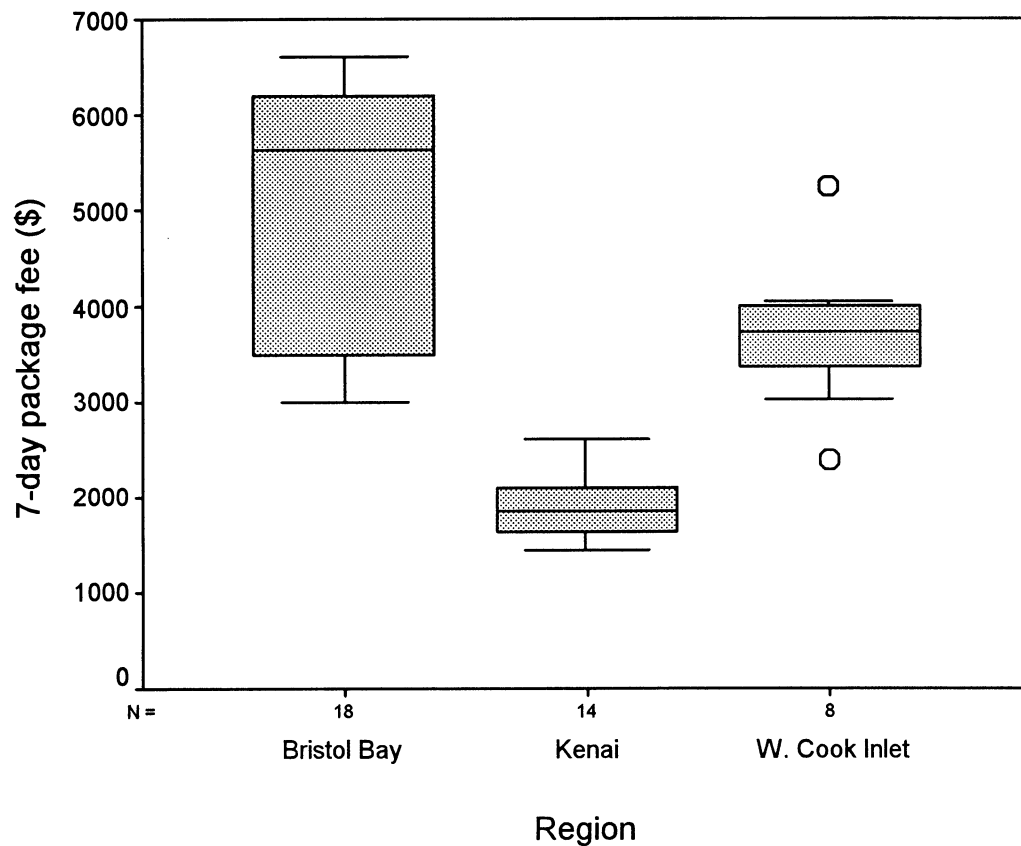
Regression Results and figures (Patterson2.doc (37KB))

Subset of data with lodges offering 7-day package (Lodge7day2.xls (22KB))

Data set for all lodges in the sample (LodgeAll2.xls (36KB))

1. Lodges offering 7-day packages

Comparison of package prices for lodges offering 7-day packages



Report

7-day package fee (\$)

Region	N	Mean	Median	Std. Deviation	Minimum	Maximum
Bristol Bay	18	\$5,074	\$5,625	\$1,249	\$3,000	\$6,600
Kenai	14	\$1,901	\$1,847	\$347	\$1,450	\$2,600
W. Cook Inlet	8	\$3,732	\$3,736	\$823	\$2,395	\$5,250
Total	40	\$3,695	\$3,500	\$1,696	\$1,450	\$6,600

**Regression of 7-day package fee on various attributes for lodges with 7-day packages ($R^2=.935$).
Reference region is Bristol Bay.**

Coefficients^a

			t	P-value	95% Confidence Interval	
	Coefficient	Std. Error			Lower Bound	Upper Bound
(Constant)	3417.4	174.0	19.64	.000	3064.6	3770.3
Flyout days	420.0	35.7	11.77	.000	347.6	492.4
Kenai	-1666.6	200.7	-8.30	.000	-2073.6	-1259.5
W. Cook Inlet	-.9	216.7	.00	.997	-440.5	438.6

a. Dependent Variable: 7-day package fee (\$)

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	105358126	3	35119375.25	186.695	.000 ^a
	Residual	6771992.16	36	188110.893		
	Total	112130118	39			

a. Predictors: (Constant), W. Cook Inlet, Flyout days, Kenai

b. Dependent Variable: 7-day package fee (\$)

Transport included by region for lodges with 7-day packages

Region * Transport included Crosstabulation

			Transport included		Total
			0	1	
Region	Bristol Bay	Count		17	17
		% within Region		100.0%	100.0%
	Kenai	Count	12	1	13
		% within Region	92.3%	7.7%	100.0%
	W. Cook Inlet	Count		8	8
		% within Region		100.0%	100.0%
Total	Count	12	26	38	
	% within Region	31.6%	68.4%	100.0%	

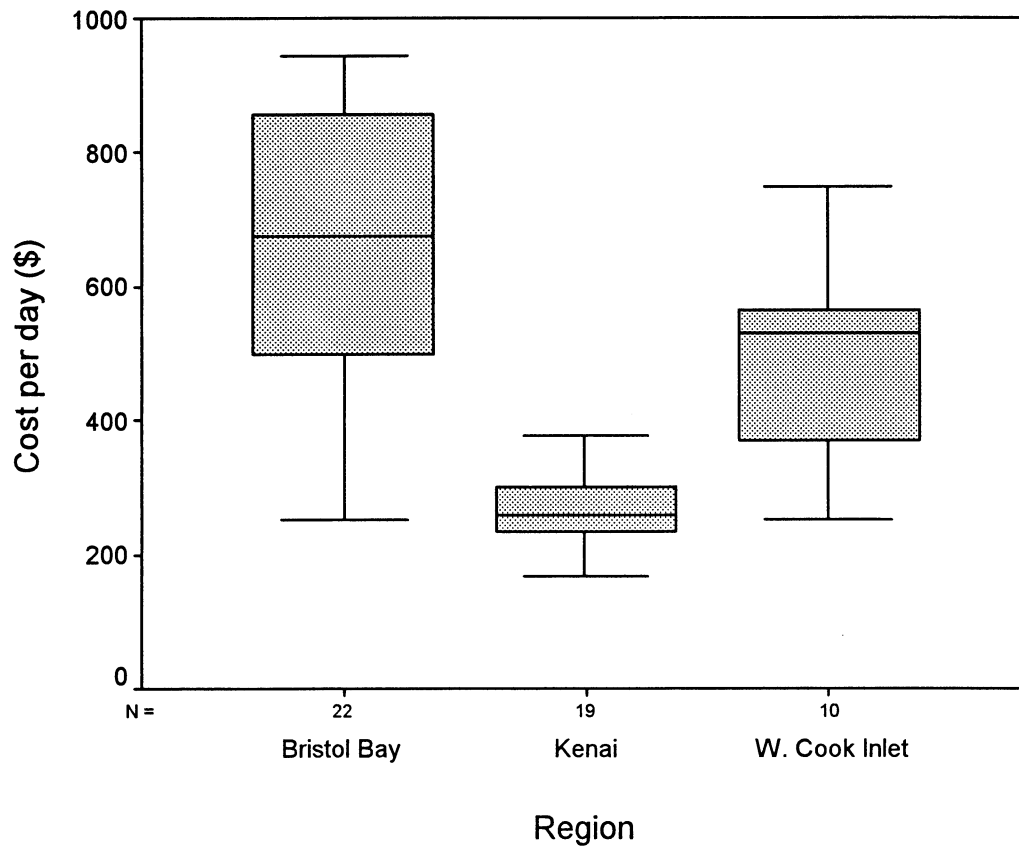
Flyout days by region for lodges with 7-day packages

Region * Flyout days Crosstabulation

			Flyout days					Total
			0	1	2	3	6	
Region	Bristol Bay	Count	4		1	3	10	18
		% within Region	22.2%		5.6%	16.7%	55.6%	100.0%
	Kenai	Count	10	3	1			14
		% within Region	71.4%	21.4%	7.1%			100.0%
	W. Cook Inlet	Count	7				1	8
		% within Region	87.5%				12.5%	100.0%
Total	Count	21	3	2	3	11	40	
	% within Region	52.5%	7.5%	5.0%	7.5%	27.5%	100.0%	

2. All lodges

Comparison of cost per day for all lodges on longest package



Report

Cost per day (\$)

Region	N	Mean	Median	Std. Deviation	Minimum	Maximum
Bristol Bay	22	\$673	\$675	\$204	\$250	\$943
Kenai	19	\$272	\$257	\$59	\$169	\$375
W. Cook Inlet	10	\$488	\$530	\$143	\$250	\$750
Total	51	\$487	\$433	\$235	\$169	\$943

**Regression of cost per day (based on longest package) on various attributes for all lodges ($R^2=.880$).
Reference region is Bristol Bay.**

Coefficients^a

			t	P-value	95% Confidence Interval	
	Coefficient	Std. Error			Lower Bound	Upper Bound
(Constant)	466.4	24.9	18.73	.000	416.3	516.6
Flyouts per day	448.2	39.5	11.35	.000	368.8	527.6
Kenai	-211.2	30.1	-7.03	.000	-271.7	-150.7
W. Cook Inlet	-16.4	33.8	-.48	.630	-84.5	51.7

a. Dependent Variable: Cost per day (\$)

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2459004	3	819667.916	128.855	.000 ^a
	Residual	298973.7	47	6361.143		
	Total	2757977	50			

a. Predictors: (Constant), W. Cook Inlet, Flyouts per day, Kenai

b. Dependent Variable: Cost per day (\$)

Transport included by region for all lodges

Region * Transport included Crosstabulation

			Transport included		Total
			0	1	
Region	Bristol Bay	Count	1	21	22
		% within Region	4.5%	95.5%	100.0%
	Kenai	Count	15	3	18
		% within Region	83.3%	16.7%	100.0%
	W. Cook Inlet	Count		9	9
		% within Region		100.0%	100.0%
	Total	Count	16	33	49
		% within Region	32.7%	67.3%	100.0%

Business	Website	Region	Type	Access	Transport
Alaska Sportmans Lodge	http://www.Bristol Bay Lodge			Anchorage	1
Rainbow Bay Resort Inc	http://www.Bristol Bay Lodge			Anchorage	1
Bear Bay Lodge	http://www.Bristol Bay Lodge			Dillingham	1
Bearclaw Ventures Inc	http://www.Bristol Bay Lodge			Dillingham	1
Fishing Bear Lodge	http://www.Bristol Bay Lodge			Dillingham	1
Mission creek Lodge LLC	http://www.Bristol Bay Lodge			Dillingham	1
Royal Coachman Lodge	http://www.Bristol Bay Lodge			Dillingham	1
Wood River Lodge	http://www.Bristol Bay Lodge			Dillingham	1
Kokwok Lodge	http://www.Bristol Bay Lodge			Ekwok	1
Royal Wolf Lodge	http://www.Bristol Bay Lodge			Iguigig	1
Copper River Lodge	http://www.Bristol Bay Lodge			Iliamna	1
Alagnak Lodge	http://www.Bristol Bay Lodge			King Salmon	1
Alaska Rainobow Lodge	http://www.Bristol Bay Lodge			King Salmon	1
Alaskas Enchanged Lake Lodge	http://www.Bristol Bay Lodge			King Salmon	1
Alaskas Naknek Anglers LLC	http://www.Bristol Bay Lodge			King Salmon	1
Bear Trail Lodge LLC	http://www.Bristol Bay Lodge			King Salmon	1
Fox Bay Lodge	http://www.Bristol Bay Lodge			King Salmon	1
Northern Knights Wilderness Lod	http://www.Bristol Bay Lodge			King Salmon	1
Alaska Homestead Lodge	http://www.Kenai		Lodge	Kenai	1
ALASKAN GAMEFISHER	http://www.Kenai		Lodge	Kenai	0
HOOKSETTERS GUIDE SERVICE	http://www.Kenai		Lodge	Kenai	0
Riddles Fishing Lodge	http://www.Kenai		Lodge	Kenai	0
TOWER ROCK LODGE	http://www.Kenai		Lodge	Kenai	0
Waba Outdoors	http://www.Kenai		Lodge	Kenai	0
All Alaska Outdoor	http://www.Kenai		Lodge	Soldotna	0
Captain Blighs Beaver Creek Lod	http://www.Kenai		Lodge	Soldotna	0
Jimmie Jack Fishing	http://www.Kenai		Lodge	Soldotna	0
Kenai Riverbend Resort	http://www.Kenai		Lodge	Soldotna	0
MARLOWS ON THE KENAI	http://www.Kenai		Lodge	Soldotna	0
ORCA LODGE	http://www.Kenai		Lodge	Soldotna	0
SOLDOTNA B AND B LODGE INC	http://www.Kenai		Lodge	Soldotna	0
TIM BERGS ALASKAN FISHING ADVEN	http://www.Kenai		Lodge	Soldotna	0
ALASKAS DESHKA RIVER LODGE	http://www.W. Cook Jr Lodge			Anchorage	1
BEARTRACKS LODGE	http://www.W. Cook Jr Lodge			Anchorage	1
BENTALIT LODGE INC	http://www.W. Cook Jr Lodge			Anchorage	1
NORTHWOODS LODGE	http://www.W. Cook Jr Lodge			Anchorage	1
Riversong lodge	http://www.W. Cook Jr Lodge			Anchorage	1
Talaheim Lodge	http://www.W. Cook Jr Lodge			Anchorage	1
Talaview Lodge	http://www.W. Cook Jr Lodge			Anchorage	1
WILDERNESS PLACE LODGE	http://www.W. Cook Jr Lodge			Anchorage	1

Max guest	Fee	Days	Local day:	Flyout day	Info
16	\$6,250	7	0	6	7d/7n, transport from Anc, flyouts,
	\$5,500	7	0	6	7d/7n, transport to Anc, meals, lodging, flyout
	\$5,750	7	0	6	lodging, meals, transportation, equipment, 2:
12	\$3,290	7	0	0	transport, fish cleaning, packaging, lodging, r
8	\$3,500	7	6	0	
	\$6,200	7	0	6	Friday-Friday trips, all equip and meals, lodgi
8	\$5,900	7	0	6	meals, lodging, transport to Dil, 6 flyouts,
16	\$6,000	7	0	6	7d, transport to Dil, meals, lodging, equip
10	\$3,000	7	6	0	transport to Ekwok, equipment, boats, 5 staff
12	\$5,850	7	0	6	7d, transport to Ig, 6 flyouts, meals, lodging
	\$3,500	7	6	0	7d, meals, lodging, transport to Ill, liscensing,
	\$4,750	7	3	3	transport, lodging, meals, cleaning packaging
	\$6,300	7	0	6	fri-fri, meals, lodging, daily flyouts, equipmen
12	\$6,600	7	0	6	meals, loding, liscence, flying, guiding, equi
8	\$6,350	7	0	6	meals, lodging, boats, daily flyouts, equipmei
	\$4,395	7	3	3	7d/6n, lodging, meals, 3 days local, 3 days fly
10	\$4,699	7	3	3	7d/6n, transport to KS, meals equipment, lod
	\$3,500	7	6	2	6d/7n, 3d local, 1d flyout, meals, lodging, equ
	\$2,600	7	6	0	
	\$1,625	7	6	0	
	\$2,099	7	6	0	
	\$1,450	7	6	0	
	\$2,495	7	5	1	
	\$1,999	7	6	0	breakfast/dinner not included
	\$1,725	7	3	2	
	\$1,475	7	6	0	
	\$1,560	7	6	0	
54	\$1,795	7	6	0	
	\$2,100	7	5	1	
	\$1,895	7	5	1	
	\$1,799	7	6	0	days fishing are half days
	\$1,995	7	6	0	
12	\$2,395	7	6	0	6 nights
	\$3,750	7	6	0	6 nights
16	\$4,045	7	6	0	6 nights
	\$3,960	7	6	0	
	\$3,700	7	6	0	
6	\$5,250	7	1	6	helicopter, 7 days of fishing
	\$3,030	7	6	0	
	\$3,722	7	6	0	

ts, equipment,
1 ratio; camps same as lodge
neals, land fees, boat use

ing, four planes, 2:1 ratio

, meals, laundry, fish prep

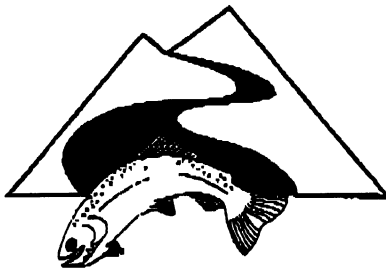
, equipment,
y of fish
it, fish preps, transport from KS
ment, transport to KS,
nt, fish prepping, transport to KS
yout
ging, guiding, flyouts(if spec), fish
ipment, transport to KS, fish prep

Business	Website	Region	Type	Access	Transport	Max guest	Fee
Alaska Sportmans Lodge	http://www.	Bristol Bay Lodge		Anchorage	1	16	\$6,250
Guths Lodge at Iliamna River	http://www.	Bristol Bay Lodge		Anchorage	1		\$2,800
Rainbow Bay Resort Inc	http://www.	Bristol Bay Lodge		Anchorage	1		\$5,500
Aleknagik Island Lodge	http://www.	Bristol Bay Lodge		Dillingham	1	8	\$2,350
Bear Bay Lodge	http://www.	Bristol Bay Lodge		Dillingham	1		\$5,750
Bearclaw Ventures Inc	http://www.	Bristol Bay Lodge		Dillingham	1	12	\$3,290
Fishing Bear Lodge	http://www.	Bristol Bay Lodge		Dillingham	1	8	\$3,500
Mission creek Lodge LLC	http://www.	Bristol Bay Lodge		Dillingham	1		\$6,200
Nushagak Outfitters	http://www.	Bristol Bay Lodge		Dillingham	0	21	\$1,250
Nushagak Paradise Lodge L	http://www.	Bristol Bay Lodge		Dillingham	1		\$3,350
Royal Coachman Lodge	http://www.	Bristol Bay Lodge		Dillingham	1	8	\$5,900
Wood River Lodge	http://www.	Bristol Bay Lodge		Dillingham	1	16	\$6,000
Kokwok Lodge	http://www.	Bristol Bay Lodge		Ekwok	1	10	\$3,000
Royal Wolf Lodge	http://www.	Bristol Bay Lodge		Iguigig	1	12	\$5,850
Copper River Lodge	http://www.	Bristol Bay Lodge		Iliamna	1		\$3,500
Iliamna Lake Lodge Inc	http://www.	Bristol Bay Lodge		Iliamna			
Rainbow King Lodge	http://www.	Bristol Bay Lodge		Iliamna	1		
Alagnak Lodge	http://www.	Bristol Bay Lodge		King Salmon	1		\$4,750
Alaska Rainobow Lodge	http://www.	Bristol Bay Lodge		King Salmon	1		\$6,300
Alaskas Enchanged Lake Lo	http://www.	Bristol Bay Lodge		King Salmon	1	12	\$6,600
Alaskas Naknek Anglers LLC	http://www.	Bristol Bay Lodge		King Salmon	1	8	\$6,350
Bear Trail Lodge LLC	http://www.	Bristol Bay Lodge		King Salmon	1		\$4,395
Fox Bay Lodge	http://www.	Bristol Bay Lodge		King Salmon		10	\$4,699
Northern Knights Wilderness	http://www.	Bristol Bay Lodge		King Salmon	1		\$3,500
Chilaska	http://www.	Bristol Bay Lodge					
Alaska Homestead Lodge	http://www.	Kenai Lodge		Kenai	1		\$2,600
Alaska Legacy Fishcamp	http://www.	Kenai Lodge		Kenai	1		\$375
ALASKAN GAMEFISHER	http://www.	Kenai Lodge		Kenai	0		\$1,625
DANS ALASKAN SPORT FI	http://www.	Kenai Lodge		Kenai	0		\$1,175
HOOKSETTERS GUIDE SE	http://www.	Kenai Lodge		Kenai	0		\$2,099
Limits R Us Guide Service	http://www.	Kenai Lodge		Kenai	0	14	\$675
Riddles Fishing Lodge	http://www.	Kenai Lodge		Kenai	0		\$1,450
ROD N REAL ALASKAN SP	http://www.	Kenai Lodge		Kenai			\$1,595
Three Mile Creek Lodge	http://www.	Kenai Lodge		Kenai	1	9	\$1,200
TOWER ROCK LODGE	http://www.	Kenai Lodge		Kenai	0		\$2,495
Waba Outdoors	http://www.	Kenai Lodge		Kenai	0		\$1,999
All Alaska Outdoor	http://www.	Kenai Lodge		Soldotna	0		\$1,725
Captain Blighs Beaver Creel	http://www.	Kenai Lodge		Soldotna	0		\$1,475
Jimmie Jack Fishing	http://www.	Kenai Lodge		Soldotna	0		\$1,560
Kenai Riverbend Resort	http://www.	Kenai Lodge		Soldotna	0	54	\$1,795
MARLOWS ON THE KENAI	http://www.	Kenai Lodge		Soldotna	0		\$2,100
ORCA LODGE	http://www.	Kenai Lodge		Soldotna	0		\$1,895
PATRICKS ALASKA FISHIN	http://www.	Kenai Lodge		Soldotna	0		\$2,095
SOLDOTNA B AND B LODG	http://www.	Kenai Lodge		Soldotna			\$1,799
TIM BERGS ALASKAN FISH	http://www.	Kenai Lodge		Soldotna	0		\$1,995
ALASKAS DESHKA RIVER	http://www.	W. Cook Ir Lodge		Anchorage	1	12	\$2,395
BEARTRACKS LODGE	http://www.	W. Cook Ir Lodge		Anchorage	1		\$3,750
BENTALIT LODGE INC	http://www.	W. Cook Ir Lodge		Anchorage	1	16	\$4,045
BIG DAVES ALASKAN BUS	http://www.	W. Cook Ir Lodge		Anchorage	1		\$1,500
NORTHWOODS LODGE	http://www.	W. Cook Ir Lodge		Anchorage	1		\$3,960

Days	Local day	Flyout day	Info
7	0	6	7d/7n, transport from Anc, flyouts,
5	5	0	
7	0	6	7d/7n, transport to Anc, meals, lodging, flyouts, equipment,
6	6	0	6d/5n, transport, meals, lodging, equipment, fish cleaning/storing
7	0	6	lodging, meals, transportation, equipment, 2:1 ratio; camps same as
7	0	0	transport, fish cleaning, packaging, lodging, meals, land fees, boa
7	6	0	
7	0	6	Friday-Friday trips, all equip and meals, lodging, four planes, 2:1
5	4	0	5d, meals, lodging,
6	5	0	6d/5n, transport to Dil, meals, lodging, tackle, fish prep,
7	0	6	meals, lodging, transport to Dil, 6 flyouts,
7	0	6	7d, transport to Dil, meals, lodging, equip
7	6	0	transport to Ekwok, equipment, boats, 5 staff, meals, laundry, fish
7	0	6	7d, transport to Ig, 6 flyouts, meals, lodging
7	6	0	7d, meals, lodging, transport to Ill, liscensing, equipment,
7	3	3	transport, lodging, meals, cleaning packaging of fish
7	0	6	fri-fri, meals, lodging, daily flyouts, equipment, fish preps, tran
7	0	6	meals, loding, liscence, flying, guiding, equipment, transport to K
7	0	6	meals, lodging, boats, daily flyouts, equipment, fish prepping, tra
7	3	3	7d/6n, lodging, meals, 3 days local, 3 days flyout
7	3	3	7d/6n, transport to KS, meals equipment, lodging, guiding, flyouts(
7	6	2	6d/7n, 3d local, 1d flyout, meals, lodging, equipment, transport to
7	6	0	
1	1	0	
7	6	0	
5	5	0	
7	6	0	
4	3	0	
7	6	0	
5	3	0	
7	5	1	
7	6	0	breakfast/dinner not included
7	3	2	
7	6	0	
7	6	0	
7	6	0	
7	6	0	
7	5	1	
7	5	1	
6	5	0	
7	6	0	days fishing are half days
7	6	0	
7	6	0	6 nights
7	6	0	6 nights
7	6	0	6 nights
6	6	0	5 nights
7	6	0	

Riversong lodge	http://www.W. Cook Ir Lodge	Anchorage	1		\$3,700
Talaheim Lodge	http://www.W. Cook Ir Lodge	Anchorage	1	6	\$5,250
Talaview Lodge	http://www.W. Cook Ir Lodge	Anchorage	1		\$3,030
WILDERNESS PLACE LOD	http://www.W. Cook Ir Lodge	Anchorage	1		\$3,722
Deshka Silver-King Lodge	http://www.W. Cook Ir Lodge			15	\$370

7	6	0
7	1	6 helicopter, 7 days fishing
7	6	0
7	6	0
1	1	0

**BIOECONOMICS INC.**

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August 26, 2004

Mr. Geoffrey Parker
730 I Street, Suite 226
Anchorage, Alaska 99501

Dear Mr. Parker,

Earlier this month, I provided you with comments on two documents released for public comment by the Alaska Department of Transportation and Public Facilities: Southwest Alaska Transportation Plan, Draft Revision (June 2004) and Technical Memorandum on Revised Cost and Effectiveness Measures (June 2004). My comments primarily focused on the proposed Iliamna-Nondalton road and bridge project.

You recently asked me to provide you with the data and more complete references supporting my observations at point 10 of my earlier comments.

In that section of my comments, I focused on methodological and empirical problems with the measure of "cost-effectiveness" used by ADOT&PF in the 2004 draft documents. The major points are: 1) the measure of "effectiveness" chosen, trips per year, is negatively correlated with a subset of the five goals the project is intended to serve. This means that increases in "trips per year" is not a meaningful measure of the effectiveness of the project in achieving the stated goals. 2) The study does not provide a reliable estimate of trips per year for the project.

I have attached supplemental comments that provide the data and references I relied on in making these conclusions ("Supplemental Comments of Dr. John W. Duffield on the Southwest Alaska Transportation Plan", dated August 26, 2004).

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Duffield". The signature is fluid and cursive, with a large, stylized initial "J".

John W. Duffield

Supplemental Comments of Dr. John W. Duffield on the Southwest Alaska Transportation Plan

August 26, 2004

1. These comments are supplemental to comments provided earlier this month ("Comments of Dr. John W. Duffield on the Southwest Alaska Transportation Plan" August 5, 2004).

2. The purpose of these supplementary comments is to provide more complete data, documentation and references that support conclusions in the earlier comments, particularly at point 10.

3. The ADOT&PF documents I relied on here include:

Reference 1: Southwest Alaska Transportation Plan, Draft Revision (June 2004)

Reference 2: Technical Memorandum on Revised Cost and Effectiveness Measures (June 2004)

Reference 3: Nondalton-Newhalen/Iliamna Pioneer Road Economic Feasibility Study (April 1986)

Reference 4: Travel Demand Forecasts Technical Memorandum (September 1998)

Reference 5: Appendix H: Demand Estimate Methodologies (August 1999)

Reference 6: Appendix C: Roadway Link Cost Analysis (August 1999)

Reference 7: Description of Alternatives Technical Memorandum (August 1999)

4. ADOT&PF in Reference 1 and 2 provides two estimates of the number of trips per year in the year 2020 between Iliamna and Nondalton (presuming the road/bridge project is completed). The first estimate is in Reference 1 at Table 12 and Reference 2 at Table 2 where for the "Cook Inlet to Bristol Bay Roadway System Only" case, estimated annual 2020 person trips between Iliamna and Nondalton are projected to 99,300. As shown below, this estimate is based on a model that predicts the trips per year between two communities as a function of the communities' populations. This particular model is described in Reference 4, at pp. 16-17 and Table 14. The estimate of 99,300 trips per year is used in Reference 1 at Table 12 and Reference 2 at Table 2 to derive the "cost-effectiveness" of the project, at \$13.01 "net annualized cost per person trip".

5. ADOT&PF in Reference 1 at p. 40, footnote 16, also provides an estimate for the Iliamna to Nondalton segment as a stand-alone project, i.e. assuming completion without implementation of the Cook Inlet to Bristol Bay Roadway System: "Under this assumption the segment would have a Net Annualized Cost of \$971,860; 75,300 estimated annual 2020 person trips; and a Net Annualized Cost per Person Trip of \$12.91." There is no documentation as to how this "stand-alone" estimate of person trips is derived. Accordingly, the following comments focus primarily on the estimate of 99,300 person trips per year for the Cook Inlet to Bristol Bay case.

6. As noted in my earlier comments, the reported estimate of 99,300 trips per year by the year 2020 is based on a model fit to a very small data set. This data set is provided in the attached Table 1. I re-estimated the model based on this data and specification provided in Reference 4, to verify that I could replicate the ADOT&PF model. As shown in the notes to Table 2, I was not able to exactly replicate the ADOT&PF model, though my estimate is quite similar. ADOT&PF may have rounded the input data or used slightly different data inputs than those I identified, or there may be problems in the estimation. My re-estimated model, point prediction for Iliamna-Nondalton, and confidence intervals are reported in Table 2. When I investigated the 95% confidence interval for the mean prediction from my re-estimated model using ADOT&PF's data, I found that it was from minus 165,540 to plus 357,536 (Table 2). The confidence interval related to ADOT&PF's estimate of the model would be quite similar. This interval is quite large and obviously includes zero. This means that there is considerable uncertainty in the estimates from my re-estimated model, so much uncertainty that my point prediction of 96,000 trips per year (or ADOT&PF's estimate of 99,300 trips per year) is essentially meaningless.

7. The data for Iliamna and Nondalton used in the prediction are outside the range of values in the data used to estimate the model, which is contrary to standard statistical practice (see Table 1). The model is based on data for communities that are considerably larger than Nondalton, including Kodiak, Dillingham, and King Salmon for the more highly populated community variable ("Population End 1") and larger than Iliamna for the less highly population community variable ("Population End 2") including Aleknagik, Naknek, and Women's Bay/Chiniak (Table 1). Additionally, all of these communities are closer together than Nondalton and Iliamna. The general setting in the data set used to estimate the model is also different, with a large regional hub (e.g. Kodiak, Dillingham, King Salmon) and a smaller nearby primarily native community. In the case at hand, Iliamna is presumably the regional hub (based on its longer airport runway), but the nearby native community of Nondalton is actually about twice as large.

8. The 95% prediction interval described in the preceding point is actually the 95% confidence interval for the mean trips per year for all individual communities with populations equal to Iliamna and Nondalton's populations. However, the use of the model in the case at hand and in Reference 1 and 2, is for prediction for one individual pair of communities with these input values. This 95% prediction interval is even wider, at minus 1,133,271 to plus 1,325,267.

9. As also noted in my comments at point 10, the uncertainty in ADOT&PF's travel demand forecasts is further indicated by the fact that one model is used to predict Iliamna-Nondalton use in the 2004 draft documents (References 1 and 2), but another model (for trip per year estimates in the same tables) is apparently used for other road links (at Table 12, Reference 1 and Table 2, p 11 of Reference 2). I list the two models used in the 2004 documents as well as the model used in the 1986 study (Reference 3) in Table 3. In Table 4, I show the results of using the three models with the data inputs used in the 2004 Iliamna-Nondalton projection (a 2020 population of 330 for Nondalton and 140 for Iliamna). This results in three different estimates from the three different models reported in the course of ADOT&PF's evaluation of the travel demand for an Iliamna-Nondalton road (References 3, 4, and 5): 16,070, 41,350 and 99,300. There is no justification

provided in the documents for using one or the other model, but it can be observed that the use of the 2nd model with Iliamna-Nondalton data indicates a travel demand that is about 40% of the 99,300 estimate, and the use of the 1986 model (which is based on observed Nondalton-Newhalen travel use) is about 15% of the 99,300 estimate.

10. In my August 5th comments, at point 10, I estimated the 2nd model projection at 47,634 trips, not 41,350. This was based on using the Iliamna-Nondalton distance as 19.2 miles, which (based on Figure 1, Reference 3) is actually the road project length, not the actual total distance between the two communities. The 41,350 trips per year estimate is based on the total distance between the two communities, which is estimated to be 24.5 miles based on Figure 1, Reference 3.

11. With reference to point 5 above, there is some limited information in the documents referenced that sheds some light on whether predictions from the ADOT&PF models are to be interpreted as "stand-alone" or as part of a larger system. The model reported in Appendix H (Reference 5 at Table 6 and p. 11), is used in this 1999 document to predict demand for various roadway links. As an example, the Iliamna-Igiugig link is at 16,100 trips per year. This prediction is also used in Reference 7, at Table 21, p. 34, as an "independent" travel demand estimate for the Iliamna-Igiugig segment, to continue this example. "Independent" is defined by a note to this table as "Demand on the link as an independent element". This would seem to have the same meaning as a "stand-alone" segment. The table also includes an estimate under the head "Alternative" (again, continuing the Iliamna to Igiugig example) of 106,100, where "Alternative" is defined as "Demand on the link as part of the alternative", in this case, Cook Inlet to Bristol Bay Overland, Naknek Option. This would seem to suggest that the ADOT&PF model in Reference 5 and Reference 4 are estimates of travel demand for "stand-alone" segments. This would also be consistent with the data the models are estimated on, which are stand-alone segments, for example Dillingham-Aleknagik.

12. The application of the 1998 model from Reference 4 to provide an estimate in the 2004 draft documents (Reference 1 and 2) for Iliamna-Nondalton as part of the Cook Inlet-Bristol Bay system is inconsistent with the data the model is based on and the earlier use of the model to predict stand-alone travel demand as in Reference 7, as discussed in the previous point. In any case, neither the derivation of the "Alternative" estimates (as part of a system) in Reference 7 or the derivation of "stand-alone" for Iliamna-Nondalton in Reference 1 is explained. There are some significant inconsistencies here. Among these is that the Reference 7 estimates show a very substantial difference between the stand-alone and system estimates (again, for the Iliamna-Igiugig link the estimates are 16,100 and 106,100, respectively). By comparison, the Iliamna-Nondalton link is estimated at 75,300 for standalone and 99,300 in Reference 1. It appears that there are significant unstated assumptions that underlie the travel demand estimates in References 1 and 2, and that documentation of these estimates are incomplete.

13. A related issue is that the key data inputs in all of these models is projected future population. There is additional uncertainty introduced by the fact that future population for Iliamna and Nondalton is, of course, not known. The 2004 documents (References 1 and 2) provide estimates

based on only one set of "base 2020" population forecasts. However, the earlier 1998 ADOT&PF document (Reference 4 at Table 1) that in part provides the basis for the 2004 draft reports, includes a range of low, base and high population. The various population projections used by ADOT&PF in the 1986, 1998, and 2004 documents are summarized in Table 5. The "base 2020" estimate used in 2004 appears to be most similar to the earlier 1998 "high" forecast.

14. The danger in reporting estimates for just one population forecast is that it may be wrong, as is well illustrated by comparing the initial 1986 ADOT&PF benefit-cost evaluation (Reference 3) of the Iliamna-Nondalton project which assumed an approximate doubling of population by 2000 (to 173 for Iliamna and 396 for Nondalton, Table 5). In fact, as shown by year 2000 census data (Table 5), population growth in these two communities has been much lower. The year 2000 actual population based on census data is 102 for Iliamna and 221 for Nondalton. Nonetheless, as in the 1986 projections, the 2004 studies are again predicting a considerable increase in population for these two communities, and not showing the implications of uncertainty in population forecasts for the estimated travel demand. If population does not grow as much as expected, actual travel demand will be lower, other things equal. For example, in Table 2, the effect of using the 1998 "low estimate for 2020" (Reference 3) instead of the 2004 document's "2020 base forecast" (Reference 1 at p. 5) is to reduce the forecast travel demand by about one-third.

15. In addition to methodological and empirical problems with ADOT&PF's measure of "effectiveness", there are also problems with the agency's measure of "cost" in its "cost/effectiveness" analysis. The agency uses "net costs", which it defines in this application as construction and O&M costs less freight savings. However, this reduction of "costs" by the one "benefit" item identified (freight savings) results in an arbitrary and biased estimate of costs. If one is going to adjust costs, all potential cost elements (both those that add to costs as well as reduce costs) should be systematically investigated. As noted in the remainder of my August 5th comments, there are other quantifiable costs and benefits that should have been included in this adjustment, including the items identified in the 1986 study (user savings, user costs) as well as impacts on subsistence, the regional recreation economy, and the costs of accidents.

16. In the context of more standard benefit-cost methods, ADOT&PF's use of "net cost" here is actually an incomplete version of a standard measure used in benefit-cost analysis: that of net present value. Given the benefit and cost data for a given project, one can compute both a benefit-cost ratio and a net present value estimate (essentially benefits less costs, after taking account of the distribution over time of the costs and benefits and the opportunity cost of money (discount rate)). If the benefit-cost ratio is less than one, the net present value of the project will be negative. Accordingly, these two measures, for a correctly implemented analysis, provide a consistent measures of the efficiency of the proposed project. ADOT&PF in both Reference 1 and Reference 2 fail to provide either of these measures. However, ADOT&PF do provide a benefit-cost ratio in the 1986 study (Reference 3).

17. In Reference 1 and 2, ADOT&PF chooses to report net costs on an annualized basis. In

general, annualized costs and benefits can be derived from the net present values. This in itself is not a problem, except that ADOT&PF by not explicitly investigating present value has failed to correct for the fact that the stream of benefits will not occur until some time after costs have been incurred (e.g. there is a lag between the time when costs begin to be incurred and benefits are realized). In other words, the annualized benefits are overstated by not discounting the underlying benefit stream back to the present.

18. To conclude, there are significant methodological problems with the approach taken in the draft 2004 ADOT&PF documents to evaluate the benefits and costs of the proposed Iliamna-Nondalton project. Even if the empirical work was accurate and reliable, just based on basic logic and economic principles, the "cost-effectiveness" measure chosen would not provide a meaningful measure of the project's efficiency or benefits and costs. Compounding this problem is the fact that ADOT&PF has not provided a reliable or accurate measure of either of the two components needed for its "cost-effectiveness" measure: costs and effectiveness.

19. This conclusion raises the issue of whether ADOT&PF should undertake more careful investigations, or if enough is known at this point about the project's efficiency. My earlier August 5th comments reviewed the 1986 benefit cost study and conclusions, and applied these methods to the 2004 data, as available. If it can be presumed (based on the court opinion cited in the earlier comments) that the methodology used in the agency's 1986 study (Reference 3) is an appropriate methodology, the combined record (References 1 to 7) indicates that nothing has changed to substantially alter the earlier conclusion that "the construction of the road is not economically justified". If anything, more is now known about the key factor assumed to drive travel demand in all of these studies, which is population growth in Iliamna and Nondalton. As we now know from the 2000 census, the 1986 estimates (Reference 3) were overly optimistic, suggesting that the estimated benefit-cost ratio from the perspective of 1986 should have been even lower.

Table 1. Data for Model¹ Used to Predict Iliamna–Nondalton Use in 2004 Documents				
	pop1 ²	pop2 ²	Distance ³	Trips ³
(1) Data for Model				
Dillingham–Aleknagik	2,138	178	15.68	401
King Salmon–Naknek	667	563	11.98	518
Kodiak–Woman’s Bay Chiniak	6,833	760	4.65	1,742
(2) Data for Prediction				
Iliamna–Nondalton (in 2020)	330 ⁵	140 ⁵	24.5 ⁴	
¹ Reference 4 at p. 16 ² Current population in Table 1, p. 4, Reference 4 ³ at Table 14 and pp. 16-17, Reference 4 ⁴ Figure 1, Reference 3. ⁵ Reference 1, at P. 5, Table 2.				

Table 2. 95 Percent Prediction Interval for ADOT & PF Model used to Forecast Year 2020 Trips per Year for Iliamna–Nondalton in 2004 Documents					
Population Data	Pop1	Pop2	Predicted ³	95% CI for Mean	
				Low	High
Estimate for 2020	330 ¹	140 ¹	95,998	-165,541	+357,536
1998 “low estimate for 2020”	221 ²	102 ²	67,658	-127,013	+262,328
¹ Reference 1 (2004), Table 2, p.5 ² Reference 4 (1998), Table 1, p. 4 ³ Based on Model: $Y=111.29 \text{ pop1} + 422.63 \text{ pop2}$ (estimated by author, and similar to ADOT&PF 1998 model (Reference 3, p. 16) $Y=104.35 \text{ pop1} + 421.20 \text{ pop2}$)					

Table 3. Summary of ADOT&PF Travel Demand Models and Estimates of Trips per Year–Iliamna to Nondalton.	
1) 1986 estimate (Reference 3), for 2005 is 17,885 trips/year, based on tri-city population times per capita multiplier of 0.00629 (at p. 24-25 and Table 4).	
2) 2004 estimates, 1 st model. In Reference 4 (1998), at p.16 and Table 14. Annual Highway Person Trips = (104.35) (Population 1) + (421.20) (Population 2)	
3) 2004 estimate, 2 nd model. In Reference 5 at p. 11. Annual Highway Person Trips = (105.13 * Population 1)/(Distance ^{0.58}) + (1640.65 * Population 2) / (Distance ^{0.58})	

Table 4. Predicted Travel Demand for Year 2020, Iliamna–Nondalton, Using three Different ADOT&PF Travel Demand Models¹		
Model	Where Model Used	Predicted Trips
1986 B/C	1986 estimates, Reference 3	16,070 ²
1998 Travel Demand Technical Memorandum	2004 Reference 2, Table 2, p. 11 for Iliamna–Nondalton	99,300
1999 Appendix H	2004, Reference 2, Table 2 p. 11 for other road links	41,350 ³
¹ All using Reference 2, (p. 5, Table 2) 2020 “base” population of 330 for Nondalton and 140 for Iliamna ² Tri City population for 2020 is 700, includes Newhalen forecast pop.of 230 (Reference 1). ³ Iliamna–Nondalton estimated distance of 24.5 miles. (Reference 3, Figure 1)		

Table 5. Population Inputs to Travel Demand Models.		
	Iliamna	Nondalton
(A) 1986 Document¹		
1980 actual	94	173
2000 projection	173	396
(B) 1998 Document²		
"Current" 1988-1995 average	105	221
2020 forecast		
Low	108	269
Base	128	317
High	145	359
(C) 2004 Document³		
2000 actual	102	221
2020 base forecast	140	330
¹ Reference 3 at Table 2, at p.20. ² Reference 4 at Table 1, at p. 4. ³ Reference 1 at Table 2, at pp. 5-6.		



Pilot Point Traditional Council

2200 Main Street * P O Box 449 * Pilot Point, Alaska 99649

Telephone (907) 797-2208 * Fax (907) 797-2258 * Internet PIPCouncil@aol.com

ADOT Southwest Regional Planner
4111 Aviation Ave.
Box 196900
Anchorage, Alaska
99519

August 6, 2004

Dear Allen Kemplan,

As we all know in rural Alaska affordable transportation and energy are the key components to the success at the local, regional and state levels. Depending historically on large outside canning operations that operate only a couple months in the summer, the Bristol Bay area is rich in resources and poor in infrastructure development. With the declining fisheries and State revenues, local populations have migrated into urban areas for employment. Opportunities in the tourism sector such as hunting and fishing guiding are generally restricted to outside interests who have very little interaction with local village economies. Local and realistic transportation planning is critical to addressing the urgent needs of rural Alaska in order to proceed with sustainable development and economic success.

The villages of Pilot Point, Port Heiden, Ugashik and Egegik have discussed local transportation issues extensively. We deliver approx. 25% of all the sockeye salmon landed in Alaska, have two of the five largest lake systems in the State, two National Wildlife Refuges and one National Monument Preserve as well as discoveries in oil, gas and titanium. Most of the migratory birds of North America stage within our area on their north and south migrations and ecotourism is one of the fastest growing industries in this country.

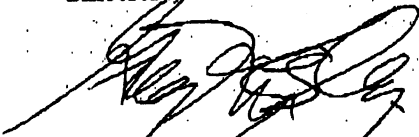
This past year we were informed via the media that a Trans-Alaska Peninsula road would connect King Salmon to Chignik under a program entitled "Roads to Resources". While the region's residents have been planning this Village intertie for ten years and beyond, we have some deep seated reservations about the feasibility and consequent necessity of certain parts of the entire route. The section from Pilot Point to Port Heiden crosses extensive wetland areas, critical wildlife habitat, and Federally protected lands. We have proposed in the past, and strongly support again, the prospect of connecting a deep water port in Wide Bay to the only feasible deep water port access on the east side of Bristol Bay at Smoky Point, 3.5 mi. from Pilot Point and .5 mi. from the Dago Creek road terminus. This road would intertie with Egegik via an existing rudimentary road and cat trail as well as pass through Ugashik to Wide Bay.

A deep water port to deep water port transport route would allow shipping opportunities for not only the commercial fisheries to improve quality and prices of sockeye salmon catches, but all shipping to western Alaska by cutting off the circumnavigation of the Alaska Peninsula. There exists an historical easement through the Ak. Penn. National Wildlife Refuge and Wide Bay had a large dock site in the past. The project would entail two river crossings but is primarily on dry level ground with a surplus of high quality gravel sources. There has been and still is a proposal in the STIP for a 4.9 mi. road from the existing landfill to the Ugashik River that would tie into the Egegik. Ugashik. Pilot Point to Wide Bay tie in. The road was scheduled to be constructed in 2006 but, has been delayed twice due to State funding deficiencies. Included are resolutions of support. We can provide extensive supporting documents for the Ugashik River Road. It is one of Pilot Point's primary goals.

There is in place a steering committee and feasibility study in progress for development of a fish processing plant and port facilities for small trawl and possible fish meal processing from the floating trawl fleet in the Bering Sea. Alternative fisheries include bottom fish such as halibut and sole, mid level fisheries in cod and a estimated annual clam harvest potential of 30 mega tons of whole clams or 19-25 million pounds of meat per year between Port Heiden and Pilot Point. With salmon payoffs at .35 -.40 per lb., it is imperative to properly process and transport the 10-15 million fish caught in the two areas annually. Affordable transportation of resources, including tourism, is essential to economic survival.

We are requesting that this option be considered. Given the timing, rural residents are not available to respond to the public comment deadline. As you can see from the sample of resolutions, this option has been considered. It is part of both Ugashik's and Pilot Point's long term transportation plan. Discussions with Egegik have been unanimous in favor of this local infrastructure development. The State of Alaska and Lake and Peninsula Borough would benefit from this option as well as all of Western Alaska with cheaper freight access.

Sincerely,



Gregory Kingsley
Pilot Point Tribal Council
City of Pilot Point



Pilot Point Traditional Council

2200 Main Street * P O Box 449 * Pilot Point, Alaska 99649

Telephone (907) 797-2208 * Fax (907) 797-2258 * Internet PIPCouncil@aol.com

Resolution 01-09-01

A Resolution Requesting the Addition of Roads to the BIA System & Identifying Pilot Point's Construction Priority

- WHEREAS, the Pilot Point Traditional Council is a federally recognized tribe and is the governing body of the Tribe; and
- WHEREAS, the Tribe qualifies for services and benefits under both the Indian Reservation Roads (IRR) and IRR Road Maintenance programs; and
- WHEREAS, the BIA is responsible for updating the IRR Inventory when a tribe determines there is a need for a BIA system change; and
- WHEREAS, the Tribe has identified routes that qualify as IRR routes and has a need to update and create mileage in the BIA system to be included in the Alaska Region's 20 year transportation plan; and
- WHEREAS, the Tribe has identified routes that are vital to its economic and cultural development and requests that BIA acquire the right-of-way on behalf of the Tribe; and
- WHEREAS, The Tribe has identified the construction of a road from Pilot Point to Ugashik River, known as the Ugashik River Road, as their highest construction priority; and
- WHEREAS, the construction of this road will tie into the final road project connecting the deep water ports of Pilot Point to the deep port access of Wide Bay across the Alaska Peninsula, known as the Wide Bay Road; and
- WHEREAS, this proposed road will benefit and develop the economic base for the entire region and is supported by the villages of Egegik, Ugashik and Pilot Point;

NOW THEREFORE, BE IT RESOLVED, that the Pilot Point Traditional finds that the routes identified on the attached inventory are IRR routes vital to the economic development of the tribe and the well-being of its members and have been identified as such through the Tribes 20 year transportation planning process to become part of the Alaska Region's 20 year transportation plan; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Pilot Point Tribal Council hereby request the BIA to add the routes identified in the attached inventory document to the BIA's Inventory of Indian Reservation Roads as BIA system routes for construction and maintenance.

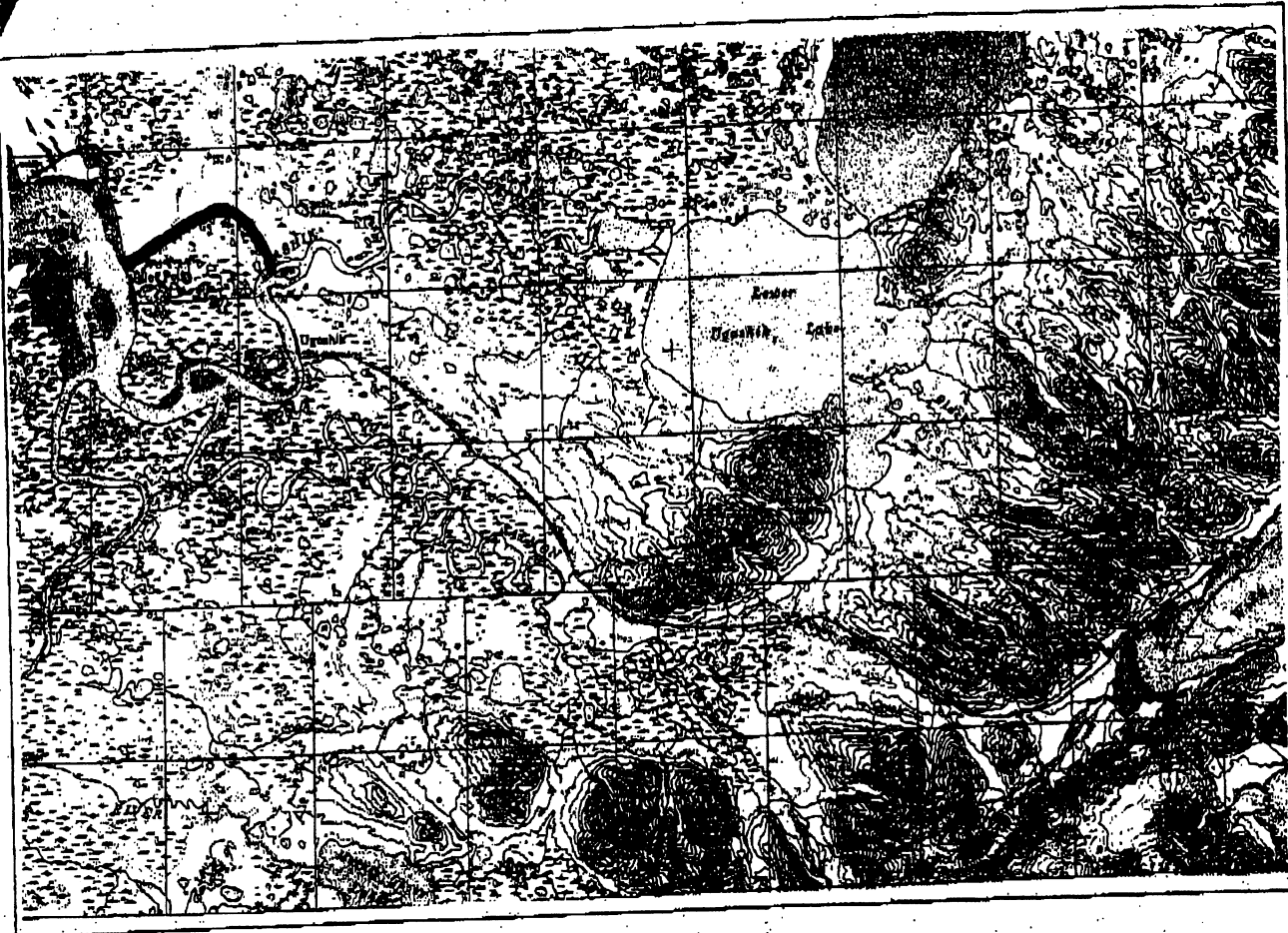
CERTIFICATION:

I, the undersigned president, do hereby certify that the foregoing resolution was passed by the Pilot Point Traditional Council.

Signed: Suzanne Evanoff
Suzanne Evanoff, President

Date: 8/13/01

Pilot Point Village Proposed Roads



Pilot Point's construction priority is the Ugashik River Road (following page) which is on the BIA TIP for funding. This will include the completion of the 2.8 mile Landfill Highway connecting Pilot Point to the Ugashik River Road and intertie with the proposed Wide Bay Road from the Pacific deep sea port at Wide Bay to Ugashik- 37miles, across the Ugashik River to Pilot Point - 4.9miles and then across Dago Creek to the deep port access of Smokey Point-2miles. An intertie with Egegik is also included in the plan. Planning for the project is in the preliminary stage.

The third construction need includes the building of a one mile road from the terminus of South Spit View Avenue to the deep port site of Mark Remey's beach site. A fulltide dock is included in the project which is still in the preliminary planning stage.





Pilot Point Traditional Council

2200 Main Street * P O Box 449 * Pilot Point, Alaska 99649

Telephone (907) 797-2208 * Fax (907) 797-2258 * Internet PIPCouncil@aol.com

Resolution 01-06-02

A Resolution Supporting a Transportation Intertie Connecting the Deep Sea Ports of Wide Bay to Ugashik Bay

WHEREAS, the Pilot Point Traditional Council is the Federally recognized governing body of the Tribal members of Pilot Point, Alaska, and

WHEREAS, the Pilot Point Traditional Council has the authority to establish relationships and enter into contracts for the well being of the Tribe, and

WHEREAS, the Pilot Point Traditional Council has examined the possible areas of environmentally sound, socially safe and spiritually enhancing routes of economic development, and

WHEREAS, the Pilot Point Traditional Council has taken into consideration all possible transportation routes and means of development that will relieve the current economic distress experienced by Western Alaska, and

WHEREAS, the shortest most feasible portage of the Alaska Peninsula exists between Wide Bay and Ugashik Bay, and

WHEREAS, a transportation link would eliminate the long circumnavigation of the storm battered coast of the Alaska Peninsula, and

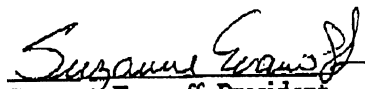
WHEREAS, a transportation link would allow for deep drafted shipping to transfer to barge destinations throughout Western Alaska, and

WHEREAS, a transportation connection from the deep sea access of Wide Bay across the Alaska Peninsula to the deep sea access of Ugashik Bay will allow for reasonable freight transportation, controlled visitor access, environmentally sound resource development and an alternative transportation source to the exorbitant air delivery system.

NOW THEREFORE BE IT RESOLVED, the Pilot Point Traditional fully endorses The development of a transportation linkage connecting Wide Bay to Ugashik Bay as part of the essential infrastructure needs for Western Alaska.

Certification

This resolution was duly considered and adopted at the meeting of the Pilot Point Traditional Council in Pilot Point, Alaska on this 1st day of June, 2001


Suzanne Evanoff, President

Attest: 
Jackie Kalmakoff, Administrator

UGASHIK TRADITIONAL VILLAGE
206 E. Fireweed Lane, # 204
Anchorage, Alaska 99503

December 17, 2002

To Whom It May Concern:

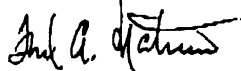
We are sending in this letter to support Pilot Point's proposed road to access the Ugashik River.

WE feel that this road will make travel on the Ugashik River safer due to the fact that the people can bypass the Pilot Point flats and also the Dog Salmon River area. These two areas on the river can become very turbulent due to the wind and the flow of the river.

It will give Ugashik residents and the Ugashik Lakes area people an access to the Pilot Point landfill, an area for our residents to dump their garbage.

We feel that this road will further open up Ugashik's proposed road to access Wide Bay to meet our transportation needs for freight, fuel and possibly our fish products. If you have any questions, please contact our Tribal Administrator at the address below. Thank you.

Sincerely,



Fred A. Matsuno
Tribal President, UTV

PILOT POINT NATIVE CORPORATION

P.O. Box 487, Bristol Bay / Pilot Point, Alaska 99649
Telephone: (907) 797-2206

Resolution 00-07-01

A RESOLUTION BY THE PILOT POINT NATIVE CORPORATION PERMITTING A ROAD EASMENT ACROSS CORPORATION LANDS FROM THE SOLID WASTE ACCESS SITE TO THE UGASHIK RIVER.

WHEREAS, the Pilot Point Native Corporation Shareholders recognize the necessity for improvements in economic and quality of life for the residents of Pilot Point; and

WHEREAS, the Village of Pilot Point has been seriously impacted by poor fish runs, out migration and lack of economic opportunities; and

WHEREAS, the construction of a road connecting the landfill to the Ugashik River would provide improvements in quality of life, economic benefits and job opportunities; and

WHEREAS, a road to the Ugashik River would greatly enhance the value of Pilot Point Native Corporation holdings; and


WHEREAS, infrastructure development is critical to the survival and success of the Village of Pilot Point.

NOW THEREFORE BE IT RESOLVED that the Pilot Point Native Corporation supports the construction of an access road connecting the current landfill to the Ugashik River.

NOW THEREFORE BE IT FURTHER RESOLVED that the Pilot Point Native Corporation and Bristol Bay Native Corporation agree to permit a right of way access in exchange for sole rights to sell burrow material for the construction of the aforementioned road project and a completed survey.

Passed by a quorum of the Pilot Point Native Corporation on this 29th day of July 2000.


Cecelia Christensen, President


Andrew Abyo, Alternate Secretary

A resolution supporting a road and utility corridor from the new landfill site to the Ugashik River

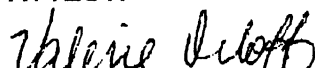
- Whereas, the Ugashik River and Lake system are widely used commercially and recreationally by both residents and non-residents alike; and
- Whereas, a road will provide users of this pristine wilderness access to a controlled and regulated landfill; and
- Whereas, given the economic disaster effects of the 1997 and 1998 commercial salmon fishing seasons, the residents of Pilot Point are seeking to diversify their economic opportunities; and
- Whereas, a road will provide opportunities for residents to participate in charter and hospitality businesses which currently exist to the exclusion of local residents; and
- Whereas, the current access to the river and lake areas from Pilot Point requires a 15 mile crossing of hazardous open water complicated by strong tidal currents; and
- Whereas, a road will eliminate this crossing and provide safe access to the river for subsistence, recreational, and commercial users from Pilot Point; and
- Whereas, Pilot Point operates a health clinic, and possesses a 3,500 foot runway with navigational lights that allows 24 hour a day access; and
- Whereas, the residents of Ugashik, area lodge personnel, and lake users would benefit from access to the clinic and medi-vac services; so therefore

BE IT RESOLVED:

that the Pilot Point City Council hereby endorses and supports every effort made towards the construction of a road connecting the new landfill to the Ugashik River.


Mayor Gust Grieden III

ATTEST:


City Clerk Valerie Orloff



City of Pilot Point, Alaska

Adopted: 03/14/2000

CITY OF ALEKNAGIK
P.O. BOX 33, MAIN STREET
ALEKNAGIK, ALASKA 99555-0033
PHONE: 907-842-5953 OR 842-2528
FAX: 907-842-2107
EMAIL: cityalek@nushtel.com

FAX COVER SHEET

TO: Allen Kemplen, Area Planner, Central Region, ADOT

FAX #: 1-888-PLANFAX (752-6329) 907-269-0521

FROM: Patty Heyano, City Administrator

FAX #: 907-842-2107 ~~907~~

DATE: July 30, 2004

RE: SWTP Comments

NUMBER OF PAGES INCLUDING THIS COVER: 6

COMMENTS:

I am sending you draft Joint Resolution 04:04 for review and suggestions for improvement. The councils want to make comment and make their points without causing more delay to the bridge. Can you make any suggests.

We will be finalizing and getting signatures on Monday, so contact me if you have any.

Thank you.

**JOINT RESOLUTION
RESOLUTION 04:04**

A JOINT RESOLUTION OF THE COUNCILS OF THE CITY OF ALEKNAGIK, ALEKNAGIK TRADITIONAL COUNCIL, AND BOARD OF DIRECTORS OF ALEKNAGIK NATIVES LIMITED PROVIDING REAFFIRMING ALEKNAGIK'S POSITION ON ISSUES FOR THE SOUTHWEST TRANSPORTATION PLAN (SWTP) REVISION.

WHEREAS, Aleknagik Natives Limited, Aleknagik Traditional Council and the City of Aleknagik executed a Memorandum of Understanding on October 29, 2000 to recognize areas of mutual concern and support, and to establish a framework for cooperative relations and communication for the benefit of the community of Aleknagik as a whole as the desire of the three entities is to cooperate concerning legal and political matters inherent in a private corporation to government to government relationship; and,

WHEREAS, the SWTP is undergoing a public review process and the community of Aleknagik would like to reaffirm its positions on issues covered by the SWTP revision; and,

WHEREAS, the community of Aleknagik is divided by a lake and river system and is in support of the proposed Aleknagik Wood River Bridge for transportation between the North and South Shores; and,

WHEREAS, the Aleknagik Wood River Bridge is the #1 Priority Capital Project for the community of Aleknagik; and,

WHEREAS, the community of Aleknagik supports the Aleknagik Wood River Bridge as a priority in the SWTP; and,

WHEREAS, the community of Aleknagik supports the Aleknagik Wood River Bridge as part of the Dillingham/Bristol Bay corridor; and,

WHEREAS, the community of Aleknagik is disappointed in the Aleknagik Wood River Bridge taken off the Statewide Transportation Improvement Plan (STIP); and,

WHEREAS, the community of Aleknagik would like the Aleknagik Wood River Bridge reinstated on the STIP and eligible for state transportation funds.

NOW THEREFORE BE IT RESOLVED that the community of Aleknagik supports the revision of the SWTP.

BE IT FURTHER RESOLVED that the community requests the Aleknagik Wood River Bridge be maintained as a priority in the SWTP.

BE IT FURTHER RESOLVED that the community requests the Aleknagik Wood River Bridge be reinstated on the STIP.

PASSED AND APPROVED on the _____ day of July, 2004 by a duly constituted quorum of the Councils of the City of Aleknagik and Aleknagik Traditional Council, Board of Directors of Aleknagik Natives Limited, and their members who were invited to a publicly announced "Joint Meeting" chaired by Aleknagik Traditional Council.

SIGNED: _____
Bobby Andrew, Aleknagik Natives Limited President

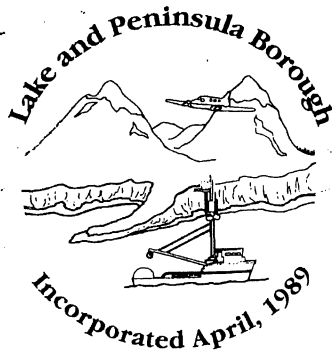
ATTEST: _____
Nina Tinker, Secretary, Aleknagik Natives Limited

SIGNED: _____
Gusty Chythlook, Aleknagik Traditional Council Chair

ATTEST: _____
Kay Gorman, Secretary, Aleknagik Traditional Council

SIGNED: _____
Bernie Andrews, City of Aleknagik Mayor

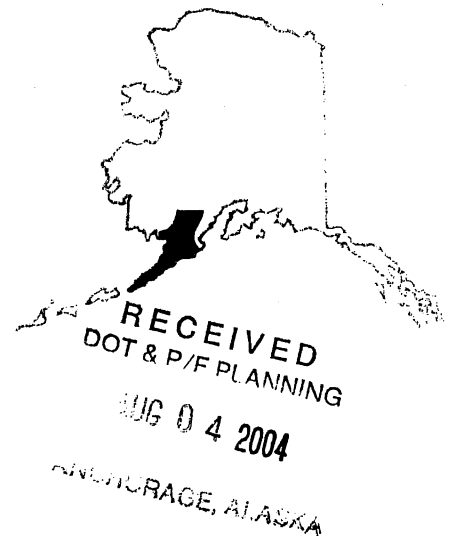
ATTEST: _____
Pauline Kohler, City of Aleknagik City Clerk



Lake and Peninsula Borough

P.O. Box 495
King Salmon, Alaska 99613

Telephone: (907) 246-3421
Fax: (907) 246-6602



August 2, 2004

Allen Kemplen, Area Planner
Central Region Planning
Alaska Department of Transportation & Public Facilities
P.O. Box 196900
Anchorage, AK 99519-6900

Subject: Southwest Alaska Transportation Plan Revision Comments

Dear Mr. Kemplen:

The purpose of this letter is to provide comment from the Lake and Peninsula Borough on the revision to the Southwest Alaska Transportation Plan. We thank the Department for their hard work and public meetings on this plan revision to comply with the judge's order to halt all work on the Iliamna Nondalton road until the economic costs and the benefits are considered in a plan revision.

We have reviewed the Technical Memorandum on Revised Cost and Effectiveness Measures and have the following recommendations:

On page 9, Table 1 we recommend the priority of the Nondalton road be placed to the top of the list instead of Pile Bay. The justification for this priority change is that travel from Williamsport to Pile Bay can occur today but cannot occur from Nondalton except when Six Mile Lake is frozen in the winter. In addition once completed the Iliamna to Nondalton road will be open year round where as the Williamsport Pile Bay road is only open in the summer.

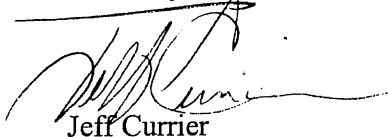
Better explanation and a stronger justification for the road from Iliamna to Nondalton is needed to strongly support this road and its need. The safety and human aspect is not discussed and should be addressed somewhere in this document. Their needs to be some discussion on the loss of life that has occurred and could occur in the future. Discussion on how most people attempt to drive to Iliamna from Nondalton in the winter to purchase fuel. Discussion on how in the summer many Nondalton residents travel by boat north up Lake Clark to Port Alsworth to purchase fuel as it is easier than hauling from Iliamna.

We completely support the upgrade of the Williamsport Pile Bay road and the concept that this very important corridor is critical to getting cheaper goods and services to the region. The Plan revision discusses the Pile Bay to Pedro Bay to Iliamna link of the road as an upcoming priority in the next 20 years. However, this plan revision does not discuss the large volume of cargo

barge traffic that will deliver on goods and fuel from Pile Bay to the lake communities. Presently this cargo travels by private barge from Pile bay to Pedro Bay, Iliamna/Newhalen, Kokhanok and Igiugig. We would like the plan to mention the need for barge landing facilities at each of these villages to accommodate the expected increase in cargo the upgrade of the Williamsport Pile Bay road will produce.

The Lake and Peninsula Borough is in total support of the plan revision and the road improvements this plan provides for. However we would like for the issues in this letter to be addressed in the final revised plan. We thank you for the opportunity to comment. If you have questions please contact Marv Smith or me at 907-246-3421.

Sincerely,



Jeff Currier
Borough manger

Cc: L&P Borough Assembly
L&P Borough Planning Commission
City of Nondalton
Nondalton Village Council
Pedro Bay Village Council
Iliamna Village Council
Newhalen Village Council
City of Newhalen
Kokhanok Village Council
Igiugig Village Council

WE WELCOME YOUR COMMENTS

Your input is an important element in this plan. To ensure that your views are considered, we have provided this form for your convenience. You may submit your comment(s) through the US Mail or email: Allen_Kemplen@dot.state.ak.us

Name	Janice Shilanski, Coordinator
Business or Affiliation	Dillingham Bike Path Coalition
P O Box 165	
Dillingham, AK 99576	
907-842-2475	907-842-1400 FAX rjanerka@nushtel.net

COMMENTS

Comments must be received at ADOT&PF by 5:00 PM August 6, 2004.

We are filing these comments to resurrect a project that was removed from the draft Needs List and Pre-Draft Statewide Transportation Improvement Program 2004-2006. Identified as **Need ID9549 – Dillingham: Coastal Trail Construction**. This project would have upgraded and hard surfaced 6.5 miles of pathways. The description read as follows: this will include approximately 2.9 miles of existing pathway on the Kanakanak Road from Dillingham to the intersection Kanakanak and Aleknagik Lake Roads, and 3.6 miles of new separated hard surfaced bike/pedestrian trails which continue from the newly constructed pathway at Shannon's and Aleknagik Lake Roads. Project termini will be at the intersection of Waskey and Aleknagik Lake Roads.

When a revised draft copy of the STIP was sent out, the entire project Need ID 9549 was deleted. We decided it would be in our best interest to split the project, cut our losses, and fight for the first 2.9 miles which was a far more strategic route, connecting the then existing 1.7 mile paved bike path located on the Aleknagik Lake Road to Downtown. This summer this project was completed. (It's absolutely beautiful!)

However, there are still no provisions for pedestrians along the stretch of highway from Shannon's Pond to the intersection of Waskey Road. Again this stretch was originally included in the pre-draft 2004-2006 STIP. This area has shown an immense amount of building growth over the last decade. In support of resurrecting this project, we recognize that the benefits are insurmountable, as follows:

- ✓ First and foremost, it would address safety and health issues.
 - Safety - Residents are in a hazardous situation walking or riding their bikes along the main highway. The continued bike path will offer children a safe place to walk to the school bus stops.
 - Health - The paved path provides an opportunity for exercise and fresh air, and a reason to shut off the TV set and attached electronics. People suffering from obesity and diabetes can walk or ride the bike path from their front doors! We have severe health problems with obesity and diabetes in our village communities.

- ✓ Employers use the bike path as an incentive for hiring employees from outside, making our community a more desirable place to live and raise a family.
- ✓ Dillingham and the community of Aleknagik would be further linked in a safe and healthy manner. The bike path has offered a safe place for community activities including:

Rural People in Motion – promoting healthy activities, sponsored by the Diabetes program at Kanakanak Hospital, and scheduled once a month
Tony's Run – 26-mile marathon held annually in honor of a fallen police officer
High School/Middle School cross-country

As we look at the future of our state's transportation system, we would encourage DOT to continue to provide in its budget enough monies to support pedestrian/bike paths. We understand that the percentage of monies allocated to bike paths in the future will decrease astronomically. We don't believe this is a good decision, especially when the rewards are so great.

We take pride in our bike paths. Community members sometimes take it upon themselves to keep the existing pathways open during the wintertime, brushing off snow to leave them open for pedestrian traffic.

We are also asking you to provide support for the Wood River Road Project. Your support will help move the Wood River Road Reconstruction project forward. We hope you can help to resolve any outstanding right-of-way issues that are getting in the way of having this project scheduled in the near future.

Thank you for taking our comments into consideration as you develop the transportation needs for this area.



Southwest Alaska Municipal Conference

3300 Arctic Boulevard, Suite 203 Anchorage, AK 99503 p: 907.562.7380 f: 907.562.0438 www.swamc.org

Alaska Peninsula
Aleutian Chain
Bristol Bay
Kodiak Island
Pribilof Islands

RECEIVED
DOT & P/F PLANNING
JUL 30 2004

July 30, 2004

Commissioner Mike Barton
Alaska Department of Transportation & Public Facilities
3132 Channel Dr.
Juneau, AK 99801-7898

Dear Commissioner Barton:

We are writing this letter in support of the Iliamna-Nondaton Road/Bridge Project and the Aleknagik/Wood River Bridge Project. We understand that, under court order, the Department of Transportation has extracted these two projects and has subjected them to a cost-benefit analysis, resulting in the Technical Memorandum and Revised Southwest Transportation Plan (SWTP). We would like to submit the following comments on these two documents into the public record.

Both projects, the Iliamna-Nondaton Road/Bridge Project and the Aleknagik/Wood River Bridge Project, may be characterized as longstanding identified needs for the communities in the Southwest Region. They are critical to local communities and to the larger transportation picture for the region. As described in the SWTP, both projects will contribute to the creation of larger transportation corridors in Southwest Alaska, thereby creating a sustainable infrastructure that will accommodate economic development and provide for an enhanced quality of life for Southwest communities.

With regards to the Technical Memorandum, the narrative briefly touches on the benefits of these projects, and future corridors, to the communities involved. However, the Technical Memorandum fails to recognize how these two transportation projects will provide communities in the region with on overall increased public service capacity. For example, the Nilavena Consortium of Alaska Native villages, in the Lake Iliamna/Clark Lake region, have started to develop community facilities that have the ability to service multiple villages, like the Sub-Regional Health Clinic that already exists in Iliamna. There are also plans to locate one landfill/incinerator in Nondalton, as well as a Nilavena Cultural Center in Iliamna. Completion of the Iliamna-Nondalton Road/Bridge Project will increase accessibility to these state of the art community facilities and resources. In Aleknagik, the Woodriver Bridge would not only increase the health and safety of community members, but would enhance the potential for tourism and other types of economic development activities in the area.

Commissioner Barton
July 30, 2004
Page 1 of 2

In terms of the more technical components of the memorandum, the tables and document figures were researched during the early stages of the development of the SWTP and are now dated. For example, fuel costs have changed dramatically since the original research for the SWTP was conducted. Therefore, figures listed in Table 5, "Estimated Petroleum Cost Savings", should be normalized to reflect current fuel costs.

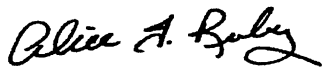
Additionally, it is critical that any discussion regarding infrastructure development in the Lake and Peninsula Borough be couched in a discussion of the economic status of communities in the borough. More specifically, it should be noted that the Lake and Peninsula Borough's unemployment rate ranks with the nation's highest 1% of all counties in the United States. Completion of the Iliamna-Nondalton Road Project will play a vital role in decreasing the cost of living for already distressed communities.

We would also like to reiterate some of the comments and concerns expressed by community members during the five public meetings held by the Alaska Department of Transportation June 22nd-24th, 2004. In those meetings, community members from Aleknagik, Dillingham, Iliamna and Nondalton talked about the compromised health and safety of their friends and families, as well as inflated costs for fuel and building materials. All community entities have long supported and pushed for construction of these projects. It is our position that public comments should somehow be incorporated into the text of the final version of both the Technical Memorandum and Southwest Transportation Plan. These comments speak specifically to the increased quality of life that will result from the completion of both projects.

We urge the Alaska Department of Transportation, the Alaska Court System, and the Alaska State Legislature and all stakeholders to work together to ensure the soonest possible completion of these two vitally important projects.

Regards,

SOUTHWEST ALASKA MUNICIPAL CONFERENCE



Alice Ruby
Board President

cc: Southwest Transportation Advisory Committee
SWAMC Infrastructure Committee
SWAMC Board Members
Sue Urig, Alaska Assistant Attorney General
Allen Kemplen, Department of Transportation
Jeff Ottesen, Department of Transportation
Southwest Alaska Legislative Delegation

Responses to Public Comments

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

CENTRAL REGION - PLANNING

FRANK H. MURKOWSKI, GOVERNOR

4111 AVIATION AVENUE
P.O. BOX 196900
ANCHORAGE, ALASKA 99519-6900
(907) 269-0520 (FAX 269-0521)
(TTY 269-0473)

September 21, 2004

Mr. Geoffrey Y. Parker
703 I Street, Suite 226
Anchorage, AK 99501

Subject: Comments on Draft Revision to Southwest Alaska Transportation Plan

Dear Mr. Parker:

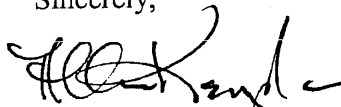
Thank you for your letter of August 6, 2004 concerning a revision to the Southwest Alaska Transportation Plan. Your letter transmitted comments prepared by Dr. John W. Duffield. In responding to the comments, it is helpful to recall the purpose for the proposed revision to the plan and the role of an area plan, such as the Southwest Alaska Transportation Plan, in the planning and development process for transportation projects.

The Southwest Alaska Transportation Plan is being revised in response to a recent court order (Superior Court for the State of Alaska, Third Judicial District at Anchorage, Case No. 3AN-02-09363 CI, January 5, 2004). The court order directed the Department to halt all work on the Iliamna-Nondalton road and bridge project until the economic costs and benefits are considered in the next revision of the Southwest Plan. The Department has undertaken such a revision, extracting two projects from the previously defined baseline for the Southwest Plan, the Iliamna-Nondalton and the Dillingham-Aleknagik corridor projects, and subjecting them to the evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. This evaluation process considers the costs and benefits of new transportation modes and facilities, as required by AS 44.42.050.

Enclosed is a detailed response to Dr. Duffield's comments. Your continued interest in this project is noted and we hope the Revised Southwest Alaska Transportation Plan meets your expectations.

Thank you for your input.

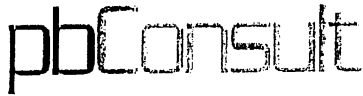
Sincerely,



Allen Kemplen, AICP
Southwest Area Planner

/eh

Enclosure



Memorandum

PB Consult Inc.
999 Third Avenue, Suite 2200
Seattle, WA 98104-4020

To: Allen Kemplen

From: Mark Scheibe

Date: 13 September 2004

Subject: Response to Comments on Draft Revision to Southwest Alaska Transportation Plan, transmitted by Mr. Geoffrey Y. Parker, August 6, 2004

Mr. Parker's letter transmitted comments prepared by Dr. John W. Duffield. In responding to the comments, it is helpful to recall the purpose for the proposed revision to the plan and the role of an area plan, such as the Southwest Alaska Transportation Plan, in the planning and development process for transportation projects.

The Southwest Alaska Transportation Plan is being revised in response to a recent court order (Superior Court for the State of Alaska, Third Judicial District at Anchorage, Case No. 3AN-02-09363 CI, January 5, 2004). The court order directed the Department to halt all work on the Iliamna-Nondalton road and bridge project until the economic costs and benefits are considered in the next revision of the Southwest Plan. The Department has undertaken such a revision, extracting two projects from the previously defined baseline for the Southwest Plan, the Iliamna-Nondalton and the Dillingham-Aleknagik corridor projects, and subjecting them to the same evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. This evaluation process considers the costs and benefits of new transportation modes and facilities, as required by AS 44.42.050.

The Southwest Alaska Transportation Plan is a component of the Alaska Statewide Transportation Plan. The Statewide Transportation Plan consists of Vision: 2020, the Statewide Transportation Policy Plan and several Area Transportation Plans, which are regional, multi-modal transportation plans developed for specific areas of the state, designed to address movement between communities in the region and from the region to points beyond. Consistent with State (17 AAC 05.130) and Federal (23 CFR 450.214) regulations the statewide transportation plan is intended to guide the development of a range of transportation options designed to meet the transportation needs (both passenger and freight) of the state, including all modes and their connections, over a period of at least 20 years. At the Statewide or Area plan level, transportation improvements are identified, evaluated and prioritized in terms of scope and design concept; i.e. what the improvement is intended to accomplish (e.g. provide a land connection among communities between Cook Inlet and Bristol Bay) and what is its location, general alignment and approximate cost. It should be noted that neither State nor Federal regulations specify a particular evaluation methodology that is to be used in developing a Statewide Transportation Plan.

In addition to the transportation planning process, Alaska, in common with all other states, has a separate but related transportation programming process to allocate funding to projects. This allocation of funds is documented in the Statewide Transportation Improvement Program or STIP. The STIP is a staged, multiyear, statewide, multimodal, financially constrained list of transportation projects which is consistent with the Statewide Transportation Plan. Consistent with State (17 AAC 05.155) and Federal (23 CFR 450.216) regulations, the STIP is a short-range document; it identifies which projects are to move forward in the project development process over the next three-year period.

The third step in the implementation process is project-level planning, design and environmental analysis. In this step various design options are examined to meet the scope and design concept identified in the Statewide Transportation Plan. Costs and impacts specific to the different design options are identified and a choice is made among the alternatives examined, including the option of not proceeding with the project (No-Build Alternative). For Federally-funded projects, project-level planning findings are documented in an environmental document prepared consistent with 23 CFR Part 771.

To summarize, different types of evaluations occur in each stage of the project implementation process. At the Statewide Plan stage, transportation improvements are identified, evaluated and prioritized within the context of how they meet the goals of the Plan. At the STIP level, transportation improvements are compared to one another within the context of deciding which should be funded within the next three-year period. At the project-level planning, design and environmental analysis stage, choices among different design options for a specific transportation improvement are made. The Draft Revision to the Southwest Alaska Transportation Plan involves only the first stage of project evaluations.

Turning to Dr. Duffield's comments, two major themes emerge. The first theme draws comparisons between the Draft Revision to Southwest Alaska Transportation Plan and a 1986 DOT&PF document, Nondalton-Newhalen/Iliamna Pioneer Road Economic Feasibility Study. Dr. Duffield uses the data presented in the Draft Revision to Southwest Alaska Transportation Plan to attempt to calculate a benefit-cost ratio for the Iliamna-Nondalton project, similar to what was done in the 1986 document. He provides various comments and several pages of calculations to conclude that in his opinion the Iliamna-Nondalton project is not economically justified because it has a benefit cost-ratio less than 1.0, i.e., the benefits, in dollar terms, that he calculates are less than the costs, in dollar terms, that he calculates.

These calculations, however, are not relevant to the intent of the plan revision. The Southwest Alaska Transportation Plan does not use a benefit-cost ratio to evaluate various road projects proposed for inclusion in the plan. Rather a cost-effectiveness methodology is used. As noted previously, the Draft Revision to the Southwest Alaska Transportation Plan extracted two projects from the previously defined baseline for the Southwest Plan, the Iliamna-Nondalton and the Dillingham-Aleknagik corridor projects, and subjected them to the same evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. To have

used a different evaluation methodology, such as a benefit-cost analysis, to evaluate the Iliamna–Nondalton project would have been inconsistent with the January 5, 2004 court order.

Further, the use of a cost-effectiveness framework for evaluating projects in the Southwest Alaska Transportation Plan rather than an economic benefit-cost analysis was intentional. The cost-effectiveness framework was described in the Southwest Alaska Transportation Plan, Final Edition, November 2002 and its use is specifically noted in the January 5, 2004 court order. The Evaluation Methodology section of the Technical Memorandum on Revised Cost and Effectiveness Measures, Draft for Public Review, June 2004, pages 4 and 5, discusses in more detail the evaluation approach that is used for the Plan and notes some reasons for not choosing a purely economic evaluation framework, such as a cost-benefit ratio. It should be reiterated that AS 44.42.050 does not require use of such a purely economic evaluation framework. To quote from the January 5, 2004 court order, "The Statute does not require that the economic cost of a project, and associated economic benefit for new projects, serve as the sole or even primary determinants of a project's viability and the priority that should be accorded to that project."

Within a larger context, the use of a cost-effectiveness framework for evaluating transportation alternatives as a means of avoiding the weaknesses inherent in a benefit-cost analysis has long been recognized in the transportation planning profession (for example, Strategies for the Evaluation of Alternative Transportation Plans, National Cooperative Highway Research Program Report 96, 1970.). As a point of reference, it is also worth noting that the only nationwide comparison of surface transportation projects that is undertaken by a U.S.D.O.T. administration used a measure of cost-effectiveness similar to that used in the Southwest Alaska Transportation Plan for many years. Specifically, the Federal Transit Administration's evaluation of transit major capital investments used a cost-effectiveness measure of incremental cost per incremental passenger in its reports to Congress through 2002. (FTA has now changed its cost-effectiveness measure to incremental cost per hour of transportation system user benefit.)

The second major theme of Dr. Duffield's comments is that the cost-effectiveness framework used in the Southwest Alaska Transportation Plan is flawed. His two assertions are that (1) the measure of effectiveness chosen, person trips per year, is negatively correlated with a subset of the goals the project (i.e. the Iliamna–Nondalton Road) is intended to serve and (2) that the travel demand forecasts presented are not reliable.

What Dr. Duffield apparently means by his first assertion is that while some of the Southwest Alaska Transportation Plan Goals are met by a project that results in increased travel between communities, others are not; that some of the goals are achieved when travel does not increase.

In response, it should be noted that the discussion of the Plan's Goals and Objectives (Southwest Alaska Transportation Plan, Final Edition, November 2002, page 14) recognizes that making transportation decisions involves trade-offs; that total devotion to any particular goal can only come at the expense of others. Any set of multiple goals developed by humans will

contain some internal conflicts so no project can be expected to fully achieve every goal. Dr. Duffield does not dispute that increased travel is a valid measure of achievement of four of the six goals. His assertion of "negative correlation" concerns two goals, Goal 3: Enhance Transportation System Efficiency and Goal 6: Develop and Protect Economic and Subsistence Resources.

With respect to Goal 3: Enhance Transportation System Efficiency, Dr. Duffield notes "the project as proposed is ... at odds with transportation efficiency, ... on the grounds of benefit-cost findings considerably below one." His assumption that transportation system efficiency requires benefit-cost ratios greater than 1.0 for the individual projects that make the system is unsupported. The intent of Goal 3 can be determined by examining some of the objectives associated with the goal. Some associated objectives include: "Identify and connect regional and subregional hubs with surrounding service area, where practical and desired by the affected communities, so as to support consolidation and improvement of regional and subregional facilities and services" and "Provide missing intermodal links which would enhance the efficiency of the transportation system." The Iliamna-Nondalton project would facilitate connections between Nondalton and the regional aviation hub at Iliamna and to marine facilities on Iliamna Lake. These connections would meet objectives identified for Goal 3.

With respect to Goal 6: Develop and Protect Economic and Subsistence Resources, Dr. Duffield asserts that increased person travel is negatively correlated with achievement of this goal, in other words that increased travel resulting from the Iliamna-Nondalton project and the entire road connection between Cook Inlet and Bristol Bay will have negative economic impacts on the Southwest Alaska economy and on subsistence resources. Concerning the Southwest Alaska economy, the Southwest Alaska Transportation Plan (Final Edition, November 2002, page 7) acknowledges that the region's remoteness provides some advantages for economic development but also notes that the area's remoteness and lack of a more developed transportation infrastructure pose significant economic disadvantages. The development of the Southwest Alaska Transportation Plan involved an extensive public participation process and this public dialogue established that improved access is desirable for the region's economic future and so use of increased person travel is an appropriate measure of achievement of Goal 6.

Further, several of Dr. Duffield's comments indicate a misunderstanding of the scope of the proposed roadway system linking Cook Inlet and Bristol Bay and perhaps of the Iliamna-Nondalton project as well. Dr. Duffield draws comparisons between the fisheries in Southwest Alaska and areas such as the Kenai and Russian River (e.g. Comment 31: "The empirical economic comparison of the Nushagak and Kenai River fisheries suggest that road access, particularly for the larger Cook Inlet-Bristol Bay project, could significantly impact these currently remote, uncrowded wilderness fisheries.") Yet even when the Cook Inlet-Bristol Bay Road is ultimately completed, the accessibility provided to Southwest Alaska locations will be markedly different than that currently available to the Kenai River. The Southwest Alaska sports fisheries will not be an easy drive from Anchorage or other population centers in Southcentral Alaska.

Dr. Duffield's comments also seem to indicate some confusion about the scope of the proposed Iliamna–Nondalton project. For instance, Comment 19: "As an example of the significant impacts of the Iliamna–Nondalton project and the larger Cook Inlet–Bristol Bay project, suppose that with increased access the subsistence harvest in Nondalton and Newhalen fell to the same level as in Iliamna." The Iliamna–Nondalton project, however, will have no impact on the accessibility of Newhalen relative to Iliamna. Newhalen and Iliamna are currently connected by road and both have relatively good air access via the Iliamna Airport (which is actually as close to Newhalen as it is to Iliamna). Thus differences in subsistence harvests between Newhalen and Iliamna cannot be attributed to differences in access.

Dr. Duffield's second assertion regarding perceived flaws in the cost-effectiveness framework used in the Southwest Alaska Transportation Plan is that the travel demand forecasts presented in the plan are not reliable. His comments include several points. First he offers numerous comments on a travel demand model originally prepared in 1998, Southwest Alaska Transportation Plan – Travel Demand Forecasts Technical Memorandum (September 1998). This 1998 model was not used in preparing the travel demand forecasts presented in the Southwest Alaska Transportation Plan. It was superseded by another model, Southwest Alaska Transportation Plan – Description of Alternatives Technical Memorandum, Appendix H: Demand Estimate Methodologies (August 1999). The 1999 model was prepared to overcome a weakness in the earlier model, namely that it did not include distance. A characteristic observed in travel behavior is that travel increases as a function of the size of the attractions at each end (i.e. the more people there are the more trips will be made) and decreases as a function of the distance between the attractions. The 1999 model, which has these characteristics, was used to estimate all the roadway travel demand estimates in the Southwest Alaska Transportation Plan.

While many of Dr. Duffield's numerous comments concern a model not used for the Southwest Alaska Transportation Plan, he is correct in noting that forecasts based on a model fit to a very small data set are less reliable than those developed using a large data set. A small data set was used to estimate the model, however, for the simple reason that there are very few roadways connecting communities in Southwest Alaska from which to obtain observed data. Dr. Duffield comments concerning the statistical implications of the small data set, "In other words, one can not be confident from this model that there will be any additional trips created by the project." Yet Dr. Duffield clearly believes that the Iliamna–Nondalton project will result in additional travel, since if there were no additional travel because of the road the supposed impacts on sport fishing and subsistence activities that he decries in many of his comments would not occur. The purpose for which the travel forecasts are used needs to be remembered, that is, to provide relative comparisons among transportation improvements proposed for inclusion in the Plan.

It should also be noted that, from his comments, Dr. Duffield appears confused as to which model was used for the forecasts presented in the Southwest Alaska Transportation Plan. To reiterate what is stated above, a single model was used to provide all roadway travel estimates presented in the November 2002 Final Edition of the Plan and in the current Draft Revision to

the Plan. This is the model described in Southwest Alaska Transportation Plan – Description of Alternatives Technical Memorandum, Appendix H: Demand Estimate Methodologies (August 1999). Estimates were made for three different conditions: (1) Assuming that the Iliamna–Nondalton roadway is completed in the absence of any other components of the proposed Cook Inlet to Bristol Bay roadway system yields a 2020 forecast of 75,300 annual person trips. This includes trips on the road that are traveling between Nondalton and Iliamna and between Nondalton and Newhalen. (2) Assuming completion of the Cook Inlet to Bristol Bay roadway system yields a 2020 forecast of 99,300 annual person trips. This estimate includes not only trips between Nondalton and Iliamna and Newhalen but also trips to other communities on the future roadway system such as King Salmon and Naknek. (3) Assuming completion of the entire proposed Southwest Alaska roadway system, allowing travel by road to even more communities, from Dillingham to the Chigniks, yields a 2020 forecast of 114,900 annual person trips.

In conclusion, the intent in preparing the Draft Revision to the Southwest Alaska Transportation Plan, consistent with the January 5, 2004 court order, was to extract two projects from the previously defined baseline for the Southwest Plan, the Iliamna–Nondalton and the Dillingham–Aleknagik corridor projects, and to subject them to the same evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. It appears that Dr. Duffield would have preferred that the Draft Revision to the Southwest Alaska Transportation Plan use a different evaluation process for the Iliamna–Nondalton project; yet that would have been inconsistent with the court order.

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

CENTRAL REGION - PLANNING

FRANK H. MURKOWSKI, GOVERNOR

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ANCHORAGE, ALASKA 99519-6900
(907) 269-0520 (FAX 269-0521)
(TTY 269-0473)

September 14, 2004

Gregory Kingsley
Pilot Point Tribal Council
City of Pilot Point
PO Box 449
Pilot Point, Alaska 99649

Subject: Comments on Revisions to the Southwest Alaska Transportation Plan

Dear Mr. Kingsley:

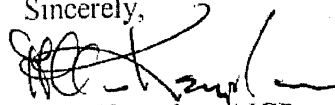
Thank you for phone call of July 16th and your letter and fax dated August 6th requesting that the Southwest Alaska Transportation Plan (SWTP) include a road corridor linking a deep water port at Wide Bay to a proposed deep water port at Smokey Point on Bristol Bay.

The current revision of the SWTP has a very limited scope. The Department of Transportation and Public Facilities is undertaking this revision in response to a court order. We are lifting two projects out of the baseline scenario and subjecting them to an economic evaluation of costs and benefits. It is our intent to expedite this revision so that we can re-start development efforts on these projects.

We are aware of Pilot Point's and Ugashik's continuing interest in a road connecting Ugashik with Wide Bay. As we noted in responses to comments received at the time of the completion of the Southwest Alaska Transportation Plan in 2002 (copy enclosed), we view this particular route as representing a community interest, rather than one specific to the region at large. However, this situation may change depending on the possible development of oil and gas deposits along the Alaska Peninsula. If mineral development is successful and merits another Bristol Bay to the Pacific corridor then detailed alignment studies would be undertaken at a later date. Such studies could examine alternative routes and may consider the role of the Ugashik to Wide Bay corridor within the context of meeting regional needs.

Thank you again for your input. If you have any further questions or wish additional information, please contact me at 269-0509 or allen_kemplen@dot.state.ak.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Allen Kemplen', with a stylized flourish at the end.

Allen Kemplen, AICP
Southwest Area Planner

/lm

Enclosure

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

DIVISION OF STATEWIDE PLANNING

TONY KNOWLES, GOVERNOR

3132 CHANNEL DRIVE
JUNEAU, ALASKA 99801-7898
PHONE: (907) 465-4070
TEXT: (907) 465-3652
FAX: (907) 465-6984

May 17, 2002

Mr. Roy S. Matsuno
Tribal Administrator, Ugashik Traditional Village
206 E. Fireweed Lane, #204
Anchorage, AK 99503

Dear Mr. Matsuno:

Thank you for your letter of March 12 concerning the Southwest Alaska Transportation Plan. In it you brought up the need for access to a deep-water port, and specifically identified your interest in a road from Ugashik to Wide Bay. We appreciate your identification of this particular route and your explanation of the need it is intended to meet. We would welcome any additional background as to the route's historical and traditional use.

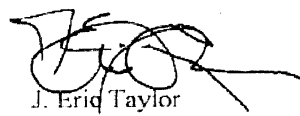
At the same time, we view this particular route as representing a community interest, rather than one specific to the region at large. I echo an earlier response provided in a March 15 email to Robert Eckstrom:

"We agree that the specifics of the particular Alaska Peninsula Highway (APH) corridor alignment in the draft plan can be improved upon (i.e., highland terrain vs. lowlands). However that is the task of a more detailed route study which would likely occur when a subsequent plan deems such investigation appropriate. At this stage such details are of negligible consequence. The primary purpose for listing the APH corridors in the Southwest Transportation Plan has been to document the need for connecting the communities (as expressed by the plan advisory committee). I personally think that this is the key point that community leaders need to keep making well after the ink is dry on the plan. Fragmenting the collective need identified during planning into individual community self-interest will lead to further legislative inaction and no improvement for anyone. The plan is a beginning, not an ending. A lot of work remains to be done to bring any of it to reality."

"While we did not intend for the plan to be used to dismiss claims to historic and traditional use corridors, we see how that could be a possible interpretation of omitting those routes in the plan itself. Therefore we will include an appropriate clause in the final plan to clarify that a continued state interest in them remains."

Thank you again for your valued input. Please let me know if I can be of further assistance.

Sincerely,



J. Eric Taylor
Area Plans Coordinator

copy to:
Jeff Harman, BIA Alaska Regional Office
Jack Melton, DOT&PF Central Region Planning

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

CENTRAL REGION - PLANNING

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September 21, 2004

Ms. Patty Heyano, City Administrator
City of Aleknagik
P.O. Box 33
Aleknagik, AK 99555-0033

Subject: Comments on Draft Revision to Southwest Alaska Transportation Plan

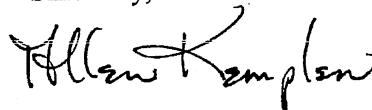
Dear Ms. Heyano:

Thank you for transmitting draft Joint Resolution 04:04 of the Councils of the City of Aleknagik, Aleknagik Traditional Council and Board of Directors of Aleknagik Natives Limited. As you are aware the draft revision to the Southwest Alaska Transportation Plan has extracted the Dillingham-Aleknagik corridor project from the previously defined baseline for the Southwest Alaska Transportation Plan and has subjected it to the evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. This evaluation process has resulted in identification, within the Plan, of the Dillingham to Aleknagik segment as the highest priority roadway project in the Dillingham/Bristol Bay Area.

While the action of revising the Southwest Alaska Transportation Plan does not directly change the Aleknagik Wood River Bridge's placement in the Statewide Transportation Improvement Program, its high prioritization within the Plan will be taken into consideration in development of the next STIP.

Thank you again for your input.

Sincerely,



Allen Kemplen, AICP
Southwest Area Planner

/eh

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

CENTRAL REGION - PLANNING

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September 21, 2004

Mr. Jeff Currier
Borough Manager
Lake and Peninsula Borough
P.O. Box 495
King Salmon, AK 99613-0495

Subject: Comments on Draft Revision to Southwest Alaska Transportation Plan

Dear Mr. Currier:

Thank you for your letter of August 2, 2004 concerning a revision to the Southwest Alaska Transportation Plan. As you are aware, the Southwest Alaska Transportation Plan is being revised in response to a recent court order that directed the Department to halt all work on the Iliamna-Nondalton road and bridge project until the economic costs and benefits are considered in the next revision of the Southwest Plan. We are undertaking such a revision, extracting two projects from the previously defined baseline for the Southwest Plan, the Iliamna-Nondalton and the Dillingham-Aleknagik corridor projects, and subjecting them to the evaluation process used to assess other projects in the Southwest Alaska Transportation Plan.

The purpose of the Southwest Alaska Transportation Plan is to guide the development of a range of transportation options designed to meet the transportation needs (both passenger and freight) of the region, including all modes and their connections, over a period of at least 20 years. One recommendation of the Plan is the development, over time, of a surface transportation link among the communities between Cook Inlet and Bristol Bay. The Plan prioritizes the project segments of this link using the evaluation measures of cost and effectiveness. This prioritization separates the projects into two groups, those likely to be constructed in the next 20-year period and those likely to be constructed later. The actual order of implementation of the projects depends not only on DOT&PF's planning process, as reflected in the Southwest Alaska Transportation Plan, but also on the Department's project programming process, as reflected in the Statewide Transportation Improvement Program or STIP. The STIP, which is the process by which funds are allocated to projects, has a prioritization process that is separate from, though related to, that in the Plan. Projects included in the STIP must be consistent with the Statewide Transportation Plan, and its regional components, but the STIP is more focused on projects that

are "ready to go" in terms of funding availability, status of the environmental process, public support, etc.

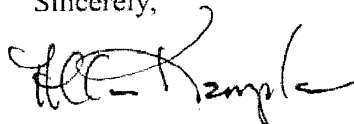
In your letter you recommend that the priority of the Iliamna-Nondalton Road project be placed above that of the Williamsport-Pile Bay project. Based on the evaluation methodology used in the Plan, the Williamsport-Pile Bay project rates more highly. However, since most engineering design and environmental documentation has been completed for the Iliamna-Nondalton Road, it may well be programmed in the STIP for implementation sooner than the Williamsport-Pile Bay Road project.

Your letter also recommends that more elaboration on the need for the Iliamna-Nondalton Road project be included in the Plan. The Executive Summary of the Plan includes recommendations for community linkages that provide the greatest near-term benefit. The description for the Iliamna-Nondalton Road will be expanded to include additional discussion of its benefits. However it should be noted that the focus of the Southwest Alaska Transportation Plan is to describe a system of transportation linkages that, over time, will improve the ability of persons and freight to move to, from and within the region. Its purpose is not to document in detail the justification for every project included within it. More detailed project justification will occur as projects move through the STIP and project-level planning and environmental processes.

A final comment in your letter is that the Plan should mention the need for barge landing facilities at the Iliamna Lake communities once the upgrade of the Williamsport-Pile Bay Road is completed. The Intermodal Connections section in the Cook Inlet to Bristol Bay Corridor discussion in the Plan does mention this need.

Thank you again for your input.

Sincerely,

A handwritten signature in black ink, appearing to read "Allen Kemplen". The signature is stylized with a large, sweeping "A" and a long, horizontal stroke extending to the right.

Allen Kemplen, AICP
Southwest Area Planner

/eh

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

CENTRAL REGION - PLANNING

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September 21, 2004

Ms. Janice Shilanski, Coordinator
Dillingham Bike Path Coalition
P.O. Box 165
Dillingham, AK 99576

Subject: Comments on Draft Revision to Southwest Alaska Transportation Plan

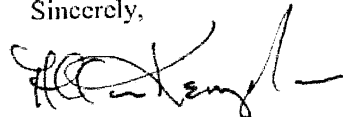
Dear Ms. Shilanski:

Thank you for your comments received on August 6 concerning the Dillingham Coastal Trail Construction and the Wood River Road Reconstruction. The Department of Transportation and Public Facilities (DOT&PF) is currently revising the Southwest Alaska Transportation Plan in response to a recent court order that directed DOT&PF to halt all work on the Iliamna-Nondalton road and bridge project until the economic costs and benefits are considered in the next revision of the Southwest Plan. We are undertaking such a revision, extracting two projects from the previously defined baseline for the Southwest Plan, the Iliamna-Nondalton and the Dillingham-Aleknagik corridor projects, and subjecting them to the evaluation process used to assess other projects in the Southwest Alaska Transportation Plan. This limited revision of the Plan does not relate directly to either the construction of the Dillingham Coastal Trail Construction or the reconstruction of Wood River Road.

However, DOT&PF has also recently started the 2006-2008 State Statewide Transportation Improvement Program (STIP) process, which may re-examine the need and priority for extending the Dillingham Coastal Trail from Shannon's Pond to the intersection of Waskey Road and for the Wood River Road Reconstruction project. We encourage you to work with your local government to nominate this project. Your comments on these projects is greatly appreciated.

Thank you again for your input.

Sincerely,



Allen Kemplen, AICP
Southwest Area Planner

/ch

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

CENTRAL REGION - PLANNING

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September 21, 2004

Ms. Alice Ruby
Board President
Southwest Alaska Municipal Conference
3300 Arctic Boulevard, Suite 203
Anchorage, AK 99503

Subject: Comments on Draft Revision to Southwest Alaska Transportation Plan

Dear Ms. Ruby:

Thank you for your letter of July 30, 2004 concerning a revision to the Southwest Alaska Transportation Plan. As you are aware, the Southwest Alaska Transportation Plan is being revised in response to a recent court order that directed the Department to halt all work on the Iliamna-Nondalton road and bridge project until the economic costs and benefits are considered in the next revision of the Southwest Plan. We are undertaking such a revision, extracting two projects from the previously defined baseline for the Southwest Plan, the Iliamna-Nondalton and the Dillingham-Aleknagik corridor projects, and subjecting them to the evaluation process used to assess other projects in the Southwest Alaska Transportation Plan.

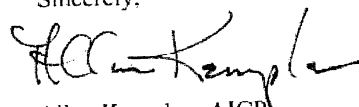
In your letter you state your support for the Iliamna-Nondalton Road/Bridge Project and the Aleknagik/Wood River Bridge Project. SWAMC's support for these projects is noted.

Your letter also recommends that more elaboration on the benefits of these projects be included in the Plan. The Executive Summary of the Plan includes recommendations for community linkages that provide the greatest near-term benefit. The descriptions for the Iliamna-Nondalton Road and for the Dillingham-Aleknagik Road and Wood River Bridge will be expanded to include additional discussion of the benefits you've identified. However it should be noted that the focus of the Southwest Alaska Transportation Plan is to describe a system of transportation linkages that, over time, will improve the ability of persons and freight to move to and from and within the region. Its purpose is not to document in detail the justification for every project included within it. More detailed project justification will occur as projects move through the STIP and project-level planning and environmental processes.

Your letter also notes that freight costs presented in the documents were collected in 1999 and that costs have increased, in some cases dramatically, since that time. This will be reflected in the text and tables of the final Revised Southwest Alaska Transportation Plan.

Thank you again for your input.

Sincerely,



Allen Kemplen, AICP
Southwest Area Planner

/eh

Public Meeting
June 21, 2004
Draft Revision of the Southwest Alaska Transportation Plan
Nondalton Community Center 11 am – 1 pm

Meeting Notes

The meeting began at 11:15 am with an introduction by Allen Kemplen and a presentation by Mark Scheibe. Jack Dobson, President of the Nondalton Tribal Council stated that local residents felt that they were not being adequately involved in producing a resolution to the issues stopping construction of the bridge.

Gary Marttila stated that there was no gas in the village. They have to boat an ATV across the river to pick up fuel. They drive the ATV to the fueling station in near the airport, pick up fuel, drive back and then boat the fuel and ATV back across the river.

There was a general discussion regarding lack of participation by the Tribal Council. Nondalton was considering joining the litigation to expedite the project.

A comment was made that the current situation is very dangerous with the movement of fuel and freight. Suicide Hill is a real obstacle.

A comment was made that fishing is not what it used to be. Since they started going up the river with jetboats, the fish have declined. They used to get 30" rainbows but now they just get panfry.

A participant made the comment that they just spent \$85 for 20 gallons of fuel. The community needs a tank farm so they can stockpile fuel. The problem is that the Denali Commission is no longer doing tank farms.

Medical evacuation of injured residents was identified as an issue.

A comment was made that maps showing land ownership status around the community should be developed and provided to the community.

There was some concern expressed about potential consolidation of uses as a result of the bridge construction. Plan does not appear to examine this item as a cost savings.

A comment was made that the freight costs are as much as the cost of materials. An example was given that a recent home addition cost \$17,000 in materials and they had to pay \$20,000 in freight to get the materials on site.

There was a question about whether the Pebble Gold Copper Mine project was examined as part of the revision. It was mentioned that they will need their own haul road and there was

some uncertainty about the number of haul trucks. Caribou bulls tend to congregate where the future mine site is located. The area is the caribou calving ground for the Mulchatna herd.

There was discussion about a joint resolution in support of the revision – City of Nondalton, Tribal Council, SWAMC, Lake and Peninsula Borough.

There was discussion of the amount of future traffic, protection of subsistence sites and limiting parking waysides. There was mention of a boat launch either at the Village or at the bridge. DOT was willing to design but not construct village boat launch.

There was concern about the road alignment from the bridge into the City. Who will do the maintenance?

Public Meeting
June 21, 2004
Draft Revision of the Southwest Alaska Transportation Plan
Iliamna Village Council Building 4 pm – 6 pm

Meeting Notes

The meeting was started at 4:10 pm. After a presentation by the Consultant, Mark Scheibe, a general discussion was held. The participants expressed support for the project.

A question was asked whether Iliamna Air Taxi could sue the State. The bridge would decrease their mail services not Nondalton. It can cost \$150 to charter to Nondalton.

It was mentioned that the new sub-regional clinic was open. It was felt that the new facility was important to Nondalton because it could save lives.

There was a comment made the idea of a regional landfill rather than three individual landfills and how that could save money. There was some concern expressed about jobs and that some folks think that the bridge would mean that Iliamna would get them all.

It was mentioned that the bridge in on Iliamna's CIP list. A comment was made about that Iliamna granted right-of-way to build road 10 years ago. Clause says it's okay if State does some improvement to the road. It was requested that Iliamna be involved with development of the road to Pedro Bay.

It was suggested that if additional documentation was needed that the State could get newspaper clippings of the deaths or near/deaths that have occurred over the years at the river crossing.

A comment was made about the new dock at Pile Bay and that the dock @ Iliamna was in need of repair.

Planes were still landing at the Roadhouse Strip and folks would like it stopped. Three planes landed on the road recently. They are deliberately landing close to the store. They can taxi up and get gas. It was mentioned that this issue was being looked at in the Iliamna Airport Master Plan and that it would be good to have a resolution supporting the cessation of this practice.

A question was asked if the road project was going to replace the decking at Alexi Creek bridge. A comment was made about Bear Creek and whether the new road could restore the ability of local residents to use it as a picnic area.

Public Meeting
June 23, 2004
Draft Revision of the Southwest Alaska Transportation Plan
State of Alaska, DOT&PF
Aviation Building Conference Room
5:00 pm – 7:00 pm

Meeting Notes

The meeting began at 5:07. Mark Scheibe, the Contractor doing the revision of the Southwest Alaska Transportation Plan, made a presentation on the draft document.

A question was raised about why were the Nondalton and Aleknagik Bridge projects the only ones being considered in the revision. It was explained that the Nondalton Road and Bridge project was included because of Court order. The Aleknagik Bridge project shares similar characteristics and was pulled out in order to avoid any possible future issues.

A question was raised about the freight rates used in the Tech Memo. It was felt that the Tech Memo did not adequately address the current prices. It was responded that the figures came from work done for the original Plan including interview with regional air carriers in 2000 and the figures were not updated to account for inflationary pressures. It was stated that these numbers may be low. It was suggested that a different methodology be used, either identify as X year numbers or update to current year with some factor.

A question was asked about the costs for freight and how were they developed. Were they using barge or airplane? The model should be clearer in explaining how the costs were developed. There was a statement made that the \$11.24 Net Annualized Cost per Person Trip for the road segment Iliamna to Nondalton was hard to understand how it was derived.

A concern was expressed that the Tech Memo gave inadequate attention to documenting the non-quantifiable benefits of the bridge.

Comments were made by an individual born and raised in Nondalton. The road has always been there. This revision is wasted money. How many lives must be lost before the bridge is built? Nondalton residents pay double for goods. They have lost elders, community members. The community can control unauthorized access to subsistence areas. Same concern on Keyes Point – they stick to beaten path. Can't see how the project can be delayed so many times. There are benefits that can't be seen. Anyone can stand there on the road next to the river and see that a bridge needs to be built.

One person with money walks in and takes precedence over the needs of life-long residents. Angry that bridge is being held up by one individual because they have money and connections.

An individual stated that the person opposing the bridge has offered to fund a barge, stop litigation if don't build the bridge for 15 years, etc. He can talk to her about alternative solutions. He is prepared to make a third offer. His client would like to resolve this matter without further litigation. The problem is that DOT&PF has continued to push a bridge without considering the impact of the bridge on adjacent property owners. The main issue is that DOT&PF moves forward without meeting with client. This is not a way to produce a resolution but rather just sets up the next court case. His client opposes any project that will turn this area into the Kenai Peninsula. The document justifies decisions already made – this needs to change.

The conclusion in the Plan that transportation is intrinsic to the economic vitality of the area needs to be justified. His client thinks that roads will result in decline in economy.

The same individual stated that regarding the Plan itself there are still unresolved questions. These are included in the 1997 complaint and the documents given to DOT&PF. The focus on commercial fishing is not appropriate for the upper waters of the Bristol Bay. Revenue from Rainbow Trout fishing exceeds revenue from Salmon fishing.

A question was asked about how public comments will be incorporated. Response was that they will be included as an Appendix in the revised Plan. There was additional comment about the draft Tech Memo not adequately addressing the non-quantifiable benefits associated with construction of the bridge.

Public Meeting
June 24, 2004
Draft Revision of the Southwest Alaska Transportation Plan
Aleknagik Community Center 12:00 pm – 2:00 pm

Meeting Notes

The meeting started at 12:15. Mark Scheibe, the DOT&PF Contractor for the revision of the Southwest Alaska Transportation Plan, made a presentation. It was mentioned by the public that a resolution in support of the Aleknagik/Wood River Bridge was passed and is part of the public record.

A comment was made that more infrastructure is needed in rural Alaska and how is it possible to make rural projects more open to funding.

A question was raised about the cost factors and cost figures in the Technical Memorandum and their relationship to current prices.

A statement was made that aviation improvements are also needed in the area.

The Technical Memorandum did not appear as powerful as it should be in terms of qualitative discussion. There were more benefits to the bridge than could be quantified. Additional discussion is needed of qualitative benefits such as opening up convenient access to the area north of town for economic development.

A statement was made that the project should be moved from Earmark Status to a STIP programmed project. Funding for the Bridge should come out the State's annual federal allocation and not be dependent on a special appropriation.

A comment was made about the proposed alignment of the bridge connections. All community entities chose Option A and not Option C. It was noted that Option C was a much longer and difficult route to travel.

An individual who visited Juneau in February made a comment. She met with the Deputy Commissioner and was made to wait a long time. She stated that the Deputy Commissioner told her that the Bridge funding went to pay for the Dillingham Pathway Project.

A statement was made that the City of Dillingham is on record as supporting the Aleknagik Bridge project. It was not good form for DOT&PF to say that one community gained at the expense of another.

A comment was made that the Technical document does not show the bridge project in the best light. It was suggested that a better methodology should be considered, one that highlighted the qualitative benefits of bridge construction.

A statement was made that SWAMC was trying to get DOT&PF to re-open the Plan completely and do a full update.

Public Meeting
June 24, 2004
Draft Revision of the Southwest Alaska Transportation Plan
Dillingham City Hall Building 6:00 pm – 8:00 pm

Meeting Notes

The meeting began at 6:10 pm. Mark Scheibe made a presentation on the draft Technical Memorandum and Southwest Alaska Transportation Plan.

An individual from the Dillingham Chamber of Commerce made a statement in support of the bridge. He stated that the bridge is needed for economic development. Paving of the road to Aleknagik has raised the property values along the corridor. The main reasons for the bridge are economic development and safety.

A comment was made that they had heard that a person in Aleknagik was heard on radio saying that there was a trade-off between the bridge and the Dillingham bike path that was being paved this summer.

A question was asked about why wasn't the Wood River Road in the near-term STIP? The statement was made that the Wood River Road alignment should be moved further south to avoid complicating land status issues.

A statement was made about trails. The individual was concerned about the crossing of the Lake Road and Kanakanak Road. A controlled three-way stop was needed there. The State should include trails with all their projects for health reasons. If the trails are there then people will more likely ride, walk or run and stay in shape.

A question was asked about the size of the culverts being placed with the trail paving project. They should be using 18" rather than 12" culverts.

An individual invited DOT&PF personnel to the annual SWAMC workshop in December at the Anchorage Westward Hilton. 150-200 people usually attend and side workshops are held with transportation being a popular topic.

It was mentioned that the bike trail from Shannons Pond to Wasky Road should be paved.